

**VILLAGE OF RICHTON PARK, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

Year Ended April 30, 2024

VILLAGE OF RICHTON PARK, ILLINOIS

Year Ended April 30, 2024

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable President and  
Members of the Board of Trustees  
Village of Richton Park, Illinois

**Report on the Audit of the Financial Statements*****Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Richton Park, Illinois (the Village), as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of April 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the schedule of legal debt margin but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*Crowe LLP*

Crowe LLP

Oak Brook, Illinois  
December 20, 2024

VILLAGE OF RICHTON PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

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As management of the Village of Richton Park, Illinois (the "Village") we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2024. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and known facts, it should be read in conjunction with the Village's financial statements.

### **Financial Highlights**

- Total net position of the Village is \$16.61 million at the end of fiscal year 2024, which is an increase of \$1.58 million from the prior year, as restated.
- The Village implemented Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the year ended April 30, 2024. This did not require a restatement of opening net position. See Note 15 for additional information.
- At the end of fiscal year 2024, the Village's governmental funds reported a combined ending fund balance of \$10.88 million, an increase of \$2.37 million from the previous year. A complete reconciliation of the governmental funds' fund balance to the governmental activities' net position is included in the Basic Financial Statements Section of this report.

### **Overview of the Financial Statements**

This management discussion and analysis serves as an introduction to the Village's basic financial statements. The Village's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide a broad overview of the Village's finances, in a manner similar to private businesses. The Statement of Net Position presents information on all the Village's assets and deferred outflows of resources, as well as its liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's net position changed over the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The Governmental Activities reflect the Village's basic services, including administration, building standards, public works and public safety. Sales taxes, shared state taxes and property taxes finance the majority of these services. The Business-Type Activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations, including depreciation.

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

The Village uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government wide financial statements. However, unlike the government wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary funds are used to report the same functions presented as business type activities in the government wide financial statements. The proprietary fund financial statements are prepared on the same long-term focus as the government wide financial statements. The proprietary funds provide the same information as the government wide financial statements, only with more detail.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government wide financial statements because the resources of those of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds.

## **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government wide and fund financial statements.

## **Other Information**

In addition to the basic financial statements, this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension and post-retirement benefits to its employees. Nonmajor fund information can be found immediately following the required supplementary information.

VILLAGE OF RICHTON PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>						
Cash and other assets	\$ 19,396,503	\$ 17,735,672	\$ 1,569,933	\$ 1,950,808	\$ 20,966,436	\$ 19,686,480
Capital assets	18,903,432	18,339,692	16,255,369	15,783,127	35,158,801	34,122,819
Total assets	38,299,935	36,075,364	17,825,302	17,733,935	56,125,237	53,809,299
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	5,848,647	7,773,139	382,303	418,117	6,230,950	8,191,256
<b>LIABILITIES</b>						
Current liabilities	5,975,119	5,413,210	548,591	690,347	6,523,710	6,103,557
Non-current liabilities	27,863,260	28,747,491	5,748,334	6,074,039	33,611,594	34,821,530
Total liabilities	33,838,379	34,160,701	6,296,925	6,764,386	40,135,304	40,925,087
<b>DEFERRED INFLOWS OF RESOURCES</b>	5,581,094	5,992,638	30,627	58,565	5,611,721	6,051,203
<b>NET POSITION</b>	\$ 4,729,109	\$ 3,695,164	\$ 11,880,053	\$ 11,329,101	\$ 16,609,162	\$ 15,024,265

The Village's combined assets (governmental activities and business-type activities) exceeded liabilities at the close of the most recent year. Net position increased 10.55% in fiscal year 2024. The net position of governmental activities increased by \$1.03 million. This increase is primarily due to the increase in both operating grants and property tax revenue and overall reduction in public safety related expenses.

A portion of net position reflects the Village's investment in capital assets, less any outstanding related debt used to acquire those assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

VILLAGE OF RICHTON PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

**Statement of Activities**

The following table reflects the condensed Statement of Activities:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>REVENUES</b>						
Program revenues:						
Charges for services	\$ 2,422,539	\$ 2,586,982	\$ 6,136,157	\$ 5,392,613	\$ 8,558,696	\$ 7,979,595
Operating grants & contributions	902,909	363,382	-	-	902,909	363,382
Capital grants & contributions	342,866	3,163,131	-	-	342,866	3,163,131
Total program revenues	3,668,314	6,113,495	6,136,157	5,392,613	9,804,471	11,506,108
General revenues:						
Property taxes	6,309,095	5,345,690	-	-	6,309,095	5,345,690
Other taxes	8,159,444	7,104,762	-	-	8,159,444	7,104,762
Contributions	-	1,432,177	-	-	-	1,432,177
Other	443,887	904,861	-	-	443,887	904,861
Total general revenues	14,912,426	14,787,490	-	-	14,912,426	14,787,490
Total revenues	18,580,740	20,900,985	6,136,157	5,392,613	24,716,897	26,293,598
<b>EXPENSES</b>						
General government	3,472,610	2,943,057	-	-	3,472,610	2,943,057
Public safety	8,339,131	8,774,891	-	-	8,339,131	8,774,891
Public works	1,258,909	1,158,858	-	-	1,258,909	1,158,858
Parks and recreation	733,962	498,670	-	-	733,962	498,670
Economic development	4,008,073	3,131,031	-	-	4,008,073	3,131,031
Interest and fees	101,697	153,689	-	-	101,697	153,689
Water and sewer	-	-	4,007,238	3,392,742	4,007,238	3,392,742
Refuse	-	-	1,176,293	1,062,527	1,176,293	1,062,527
Commuter parking lot	-	-	34,087	98,522	34,087	98,522
Total expenses	17,914,382	16,660,196	5,217,618	4,553,791	23,132,000	21,213,987
Income (loss) before transfers	666,358	4,240,789	918,539	838,822	1,584,897	5,079,611
Transfers and capital contributions	367,587	(2,251,449)	(367,587)	2,251,449	-	-
Change in net position	1,033,945	1,989,340	550,952	3,090,271	1,584,897	5,079,611
Net position, beginning of year	3,695,164	1,705,824	11,329,101	8,238,830	15,024,265	9,944,654
Net position, end of year	\$ 4,729,109	\$ 3,695,164	\$ 11,880,053	\$ 11,329,101	\$ 16,609,162	\$ 15,024,265

VILLAGE OF RICHTON PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

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**Key Factors in the Change in Net Position in the Governmental Activities:**

Governmental activities increased the total net position of the Village by \$1.03 million. Total governmental activities revenues were \$18.58 million while governmental activities total expenses were \$17.91 million. Governmental activities accounted for 75.17% of the total revenues and 77.44% of the total expenses in fiscal year 2024. Total governmental activities revenues were \$20.90 million while governmental activities total expenses were \$16.66 million in fiscal year 2023. This represented 79.49% of total revenues and 78.53% of total expenses in fiscal year 2023.

Total governmental activities revenues were primarily lower due to decreases in capital grants & contributions and general revenue contributions. Total governmental activities expenses were higher due to an increase in expenses related to general government and economic development.

**Key Factors in the Change in Net Position in Business-Type Activities:**

Business-type activities net position increased \$0.55 million. Total business-type activities revenues were \$6.14 million while business-type activities total expenses were \$5.22 million. Business-type activities accounted for 24.83% of total revenues and 22.56% of total Village expenses in fiscal year 2024. This compares to 20.51% of total revenues and 21.47% of total expenses in fiscal year 2023.

Total business-type revenues increased 13.79% due to increases in charges for service. Business-type activities total expenses increased 14.58%. The business-type activities transferred \$0.79 million to the governmental activities during fiscal year 2024 to cover business-type related costs incurred in governmental activities.

**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

As previously mentioned, the Village uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The following is a brief discussion of the financial highlights from the fund financial statements.

**Governmental Funds** – The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The Village's governmental funds reported a combined ending fund balance of \$10.88 million, an increase of \$2.37 million from the previous year. The General Fund is the chief operating fund of the Village and accounts for many of the major functions of the government including general government, public safety, and public works. At the end of the fiscal year, the total fund balance of the General Fund was \$9.32 million.

The General Fund balance increased \$1.60 million, or 20.75%, from fiscal year 2023's balance of \$7.72 million. Total General Fund revenues and other financing sources were \$13.91 million while total expenditures and other financing uses were \$12.31 million in fiscal year 2024. Property tax revenues were \$3.38 million which were an increase over the prior year revenues of \$3.14 million.

General Fund revenues and other financing sources increased 6.88% while expenditures and other financing uses increased 8.24% in fiscal year 2024. Revenues and expenditures were fairly consistent with fiscal year 2023.

**Proprietary Funds** - Revenues for fiscal year 2024 increased 21.71% from fiscal year 2023, while expenses increase 14.58% from fiscal year 2023.

VILLAGE OF RICHTON PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

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## Budgetary Highlights

The Village's annual budget is the legally adopted expenditure control document of the Village. Budgetary comparison schedules are required for the General Fund and major special revenue funds. These schedules compare the adopted budget and the actual expenditures prepared on a budgetary basis. Budgetary schedules for other governmental funds are also presented in the Supplementary Information section of this report.

General Fund actual revenues of \$13.39 million were \$0.64 million over budgeted revenues of \$12.75 million due to the Village receiving property taxes and non-home rule sales tax in excess of budget. Actual expenditures of \$11.85 million were \$0.23 million over budgeted expenditures of \$11.61 million due to public safety capital outlay exceeding budgeted amounts.

## Capital Assets

The Village's investment in capital assets for its governmental and business-type activities amounts to \$35.16 million (net of accumulated depreciation and amortization). This investment in capital assets includes land, other improvements, machinery and equipment, lease equipment, subscription assets and infrastructure. Infrastructure assets are items that are normally immovable and have value only to the Village, such as streets, street lighting systems, and storm drainage systems. More detailed information about the Village's capital assets is presented in Note 5 to the financial statements. During the fiscal year, the Village had capital asset additions of \$2.10 million consisting primarily of vehicles and infrastructure.

The following table provides a breakdown of the Village's capital assets:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 6,283,372	\$ 6,283,372	\$ 571,660	\$ 571,660	\$ 6,855,032	\$ 6,855,032
Site improvements	400,000	400,000	-	-	400,000	400,000
Construction in progress	787,797	987,166	29,100	-	816,897	987,166
Land improvements	749,071	749,071	1,431,334	1,431,334	2,180,405	2,180,405
Buildings	4,803,425	4,773,425	3,272,445	3,272,445	8,075,870	8,045,870
Building improvements	627,278	577,847	-	-	627,278	577,847
Vehicles	3,212,635	3,152,151	1,354,141	914,333	4,566,776	4,066,484
Equipment	1,952,862	1,699,221	2,509,416	2,509,416	4,462,278	4,208,637
Lease assets, equipment	669,726	669,726	-	-	669,726	669,726
Subscription assets	100,531	-	78,577	-	179,108	-
Infrastructure	9,583,840	8,467,768	17,741,718	17,596,630	27,325,558	26,064,398
Accumulated depreciation and amortization	(10,267,105)	(9,420,055)	(10,733,022)	(10,512,691)	(21,000,127)	(19,932,746)
	<u>\$ 18,903,432</u>	<u>\$ 18,339,692</u>	<u>\$ 16,255,369</u>	<u>\$ 15,783,127</u>	<u>\$ 35,158,801</u>	<u>\$ 34,122,819</u>

VILLAGE OF RICHTON PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

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## Debt Administration

At the end of the fiscal year, the Village had a total bonded debt outstanding of \$8.43 million, including unamortized premiums. This amount represents bonds secured by specified revenue sources, namely use taxes and water and sewer charges for services. More detailed information about the Village's debt administration is presented in Note 6 to the financial statements.

The following schedule shows the outstanding long-term obligations of the Village, excluding those related to pensions and OPEB:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Bonds and notes, net	\$ 3,210,000	\$ 3,355,000	\$ 5,224,318	\$ 5,481,343	\$ 8,434,318	\$ 8,836,343
Financed purchases	419,649	-	\$ -	\$ -	419,649	-
Lease liabilities	166,198	420,554	-	-	166,198	420,554
Subscription liabilities	74,281	-	63,539	-	137,820	-
Compensated absences	933,585	912,392	27,268	23,281	960,853	935,673
	<u>\$ 4,803,713</u>	<u>\$ 4,687,946</u>	<u>\$ 5,315,125</u>	<u>\$ 5,504,624</u>	<u>\$ 10,118,838</u>	<u>\$ 10,192,570</u>

## Economic Factors

The Village of Richton Park adopts an annual budget in order to meet its strategic goals and to set service priorities for the Village. Annual appropriations are adopted for the General, Proprietary and Fiduciary funds. All annual appropriations lapse at the end of the fiscal year. Given the financial challenges and the uncertain economic impact of the pandemic, the Village of Richton Park will continue to closely monitor revenues and adjust expenditures accordingly. The Village's main focus is the provision of necessary infrastructure improvements including water and sewer services, sidewalks and road improvements.

In addition, the Village remains focused on revenue enhancement programs and continues to explore grant opportunities that would help to address improvement to aging infrastructure and the replacement of aging equipment. The push by the Village for new economic development is expected to generate incremental revenue that will be utilized for infrastructure improvement.

## Requests for Information

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning the report or requests for additional financial information should be directed to the Finance Director, Village of Richton Park, 4455 Sauk Trail, Richton Park, Illinois 60471.

## **BASIC FINANCIAL STATEMENTS**

Village of Richton Park, Illinois  
Statement of Net Position  
April 30, 2024

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 5,866,348	\$ 1,745,228	\$ 7,611,576
Investments	6,014,709	-	6,014,709
Receivables, net of allowance			
Property taxes	1,872,780	-	1,872,780
Other taxes	1,543,972	-	1,543,972
Accounts	363,950	844,713	1,208,663
Leases - current	61,104	-	61,104
Prepaid items	498,334	-	498,334
Internal balances	1,020,008	(1,020,008)	-
Leases receivable - noncurrent	677,462	-	677,462
Land held for resale	1,477,836	-	1,477,836
Land and construction in progress	7,471,169	600,760	8,071,929
Other capital assets, net of depreciation/amortization	11,432,263	15,654,609	27,086,872
Total assets	<u>38,299,935</u>	<u>17,825,302</u>	<u>56,125,237</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss on debt refunding	-	20,119	20,119
Pension items - IMRF	1,027,996	362,184	1,390,180
Pension items - Police Pension Fund	4,820,651	-	4,820,651
Total deferred outflows of resources	<u>5,848,647</u>	<u>382,303</u>	<u>6,230,950</u>
Total assets and deferred outflows of resources	<u>\$ 44,148,582</u>	<u>\$ 18,207,605</u>	<u>\$ 62,356,187</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 4,381,476	\$ 169,635	\$ 4,551,111
Accrued payroll and related liabilities	271,582	19,716	291,298
Deposits	242,163	8,578	250,741
Accrued interest	-	85,400	85,400
Unearned grant revenue	567,547	-	567,547
Noncurrent liabilities			
Due within one year	512,351	265,262	777,613
Due in more than one year	27,863,260	5,748,334	33,611,594
Total liabilities	<u>33,838,379</u>	<u>6,296,925</u>	<u>40,135,304</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable property tax	1,848,362	-	1,848,362
Pension items - IMRF	39,282	30,627	69,909
Pension items - Police Pension Fund	2,998,651	-	2,998,651
Leases	694,799	-	694,799
Total deferred inflows of resources	<u>5,581,094</u>	<u>30,627</u>	<u>5,611,721</u>
Total liabilities and deferred inflows of resources	<u>39,419,473</u>	<u>6,327,552</u>	<u>45,747,025</u>
<b>NET POSITION</b>			
Net investment in capital assets	18,104,778	10,987,629	29,092,407
Restricted	4,668,893	-	4,668,893
Unrestricted	(18,044,562)	892,424	(17,152,138)
Total net position	<u>4,729,109</u>	<u>11,880,053</u>	<u>16,609,162</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 44,148,582</u>	<u>\$ 18,207,605</u>	<u>\$ 62,356,187</u>

See accompanying Notes to Financial Statements

Village of Richton Park, Illinois  
Statement of Activities  
Year Ended April 30, 2024

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 3,472,610	\$ 1,728,400	\$ 877,909	\$ -	\$ (866,301)	\$ -	\$ (866,301)
Public safety	8,339,131	565,752	-	125,033	(7,648,346)	-	(7,648,346)
Public works	1,258,909	-	25,000	217,833	(1,016,076)	-	(1,016,076)
Parks and recreation	733,962	128,387	-	-	(605,575)	-	(605,575)
Economic development	4,008,073	-	-	-	(4,008,073)	-	(4,008,073)
Interest and fees	101,697	-	-	-	(101,697)	-	(101,697)
Total governmental activities	<u>17,914,382</u>	<u>2,422,539</u>	<u>902,909</u>	<u>342,866</u>	<u>(14,246,068)</u>	<u>-</u>	<u>(14,246,068)</u>
Business type activities:							
Water and sewer	4,007,238	4,893,541	-	-	-	886,303	886,303
Refuse	1,176,293	1,141,108	-	-	-	(35,185)	(35,185)
Commuter parking lot	<u>34,087</u>	<u>101,508</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,421</u>	<u>67,421</u>
Total business type activities	<u>5,217,618</u>	<u>6,136,157</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>918,539</u>	<u>918,539</u>
Total primary government	<u>\$ 23,132,000</u>	<u>\$ 8,558,696</u>	<u>\$ 902,909</u>	<u>\$ 342,866</u>	<u>(14,246,068)</u>	<u>918,539</u>	<u>(13,327,529)</u>
General revenues and transfers:							
Taxes:							
Property					6,309,095	-	6,309,095
Sales					3,587,762	-	3,587,762
Income					2,183,122	-	2,183,122
Other					1,412,100	-	1,412,100
Utility					976,460	-	976,460
Miscellaneous					139,682	-	139,682
Transfers					367,587	(367,587)	-
Interest					<u>304,205</u>	<u>-</u>	<u>304,205</u>
Total general revenues					<u>15,280,013</u>	<u>(367,587)</u>	<u>14,912,426</u>
Change in net position					1,033,945	550,952	1,584,897
Net position, beginning of year					<u>3,695,164</u>	<u>11,329,101</u>	<u>15,024,265</u>
Net position, end of year					<u>\$ 4,729,109</u>	<u>\$ 11,880,053</u>	<u>\$ 16,609,162</u>

See accompanying Notes to Financial Statements

Village of Richton Park, Illinois  
Balance Sheet - Governmental Funds  
April 30, 2024

	Major Funds				
		Special Revenue			
	General Fund	TIF Lakewood Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 8,418	\$ 2,355,990	\$ -	\$ 3,501,940	\$ 5,866,348
Investments	3,786,968	-	-	2,227,741	6,014,709
Receivables, net of allowance					
Property taxes	1,838,118	-	-	34,662	1,872,780
Accounts	170,397	-	193,348	205	363,950
Leases - current	61,104	-	-	-	61,104
Other governments	1,498,025	-	-	45,947	1,543,972
Prepaid items	173,334	-	325,000	-	498,334
Due from other funds	3,592,100	-	332,797	1,175,904	5,100,801
Leases receivable - noncurrent	677,462	-	-	-	677,462
Land held for resale	-	-	265,488	1,212,348	1,477,836
Advances to other funds	1,679,918	-	-	-	1,679,918
Total assets	<u>\$ 13,485,844</u>	<u>\$ 2,355,990</u>	<u>\$ 1,116,633</u>	<u>\$ 8,198,747</u>	<u>\$ 25,157,214</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 834,326	\$ 3,039,190	\$ 338,090	\$ 169,870	\$ 4,381,476
Accrued payroll and related liabilities	263,409	-	-	8,173	271,582
Deposits	238,663	3,500	-	-	242,163
Unearned grant revenue	-	-	-	567,547	567,547
Due to other funds	1,398	201,000	1,798,887	2,779,606	4,780,891
Advances from other funds	-	-	-	979,820	979,820
Total liabilities	<u>1,337,796</u>	<u>3,243,690</u>	<u>2,136,977</u>	<u>4,505,016</u>	<u>11,223,479</u>
Deferred inflows of resources:					
Unavailable property taxes	1,814,472	-	-	33,890	1,848,362
Leases	694,799	-	-	-	694,799
Unavailable grants and taxes	320,607	-	193,348	-	513,955
Total deferred inflows of resources	<u>2,829,878</u>	<u>-</u>	<u>193,348</u>	<u>33,890</u>	<u>3,057,116</u>
Fund balances (deficit):					
Nonspendable:					
Prepaid items	173,334	-	325,000	-	498,334
Advances to other funds	1,679,918	-	-	-	1,679,918
Restricted:					
Economic development	-	-	-	2,856,526	2,856,526
Rebuild Illinois	-	-	-	809,326	809,326
Highways and streets	-	-	-	917,677	917,677
Public safety	-	-	-	85,364	85,364
Unassigned (deficit)	<u>7,464,918</u>	<u>(887,700)</u>	<u>(1,538,692)</u>	<u>(1,009,052)</u>	<u>4,029,474</u>
Total fund balances (deficit)	<u>9,318,170</u>	<u>(887,700)</u>	<u>(1,213,692)</u>	<u>3,659,841</u>	<u>10,876,619</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 13,485,844</u>	<u>\$ 2,355,990</u>	<u>\$ 1,116,633</u>	<u>\$ 8,198,747</u>	<u>\$ 25,157,214</u>

See accompanying Notes to Financial Statements

Village of Richton Park, Illinois  
Reconciliation of Balance Sheet - Governmental Funds  
to the Statement of Net Position  
April 30, 2024

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Total Fund Balance Governmental Funds	\$	10,876,619
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Amounts reported for governmental activities are different because:

Capital assets used in governmental activities are not financial resources  
and therefore not reported in the funds:

Capital assets	\$	29,170,537	
Accumulated depreciation/amortization		<u>(10,267,105)</u>	
Net capital assets			18,903,432

Certain assets are not available to report as revenue in the governmental funds but are revenue on the accrual basis of accounting		513,955
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Net pension liability for the Illinois Municipal Retirement Fund and Police Pension Fund are recorded in the statement of net position:		
Illinois Municipal Retirement Fund		(2,112,519)
Police Pension Fund		(19,790,094)

Differences between expected and actual experiences, assumption changes net differences between projected and actual earnings, are recognized as deferred outflows and deferred inflows of resources:		
Illinois Municipal Retirement Fund		988,714
Police Pension Fund		1,822,000

Total OPEB Liability is not recorded in governmental funds but is recorded as a liability in the statement of net position.		(1,669,285)
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Some liabilities reported in the statement of net position do not require  
the use of current financial resources and therefore are not reported as  
liabilities in governmental funds.

These liabilities consist of:

Bonds payable		(3,210,000)	
Lease liabilities		(166,198)	
Subscription liabilities		(74,281)	
Financed purchase		(419,649)	
Compensated absences		<u>(933,585)</u>	

Net Position of Governmental Activities	\$	<u>4,729,109</u>
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Village of Richton Park, Illinois  
Statement of Revenues, Expenditures and  
Changes in Fund Balances - Governmental Funds  
Year Ended April 30, 2024

	Major Funds				
	Special Revenue		Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	TIF Lakewood Fund			
<b>REVENUES</b>					
Taxes:					
Property	\$ 3,376,296	\$ 2,393,674	\$ -	\$ 539,125	\$ 6,309,095
Sales	3,325,833	-	-	-	3,325,833
Income	2,183,122	-	-	-	2,183,122
Other	771,843	-	-	581,579	1,353,422
Utilities	976,460	-	-	-	976,460
Licenses and permits	501,860	-	-	-	501,860
Fines and forfeitures	562,752	-	-	3,000	565,752
Charges for services	1,226,540	-	-	128,387	1,354,927
Grants	150,033	-	1,310,619	1,210,706	2,671,358
Interest	198,088	-	-	106,117	304,205
Miscellaneous	119,536	-	-	20,146	139,682
Total revenues	13,392,363	2,393,674	1,310,619	2,589,060	19,685,716
<b>EXPENDITURES</b>					
Current:					
General government	2,754,689	-	48,910	88,877	2,892,476
Public safety	7,364,826	-	-	4,218	7,369,044
Public works	671,149	-	50,000	533,371	1,254,520
Parks and recreation	-	-	-	733,157	733,157
Economic development	-	3,183,523	-	653,582	3,837,105
Debt service:					
Principal	425,606	-	-	-	425,606
Interest and debt issuance costs	101,697	-	-	-	101,697
Capital outlay	527,868	-	892,666	594,966	2,015,500
Total expenditures	11,845,835	3,183,523	991,576	2,608,171	18,629,105
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	1,546,528	(789,849)	319,043	(19,111)	1,056,611
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of financed purchase	419,649	-	-	-	419,649
Issuance of subscriptions	100,531	-	-	-	100,531
Transfers in	-	-	1,149,082	232,139	1,381,221
Transfers out	(465,326)	(22,500)	-	(98,781)	(586,607)
Total other financing sources (uses)	54,854	(22,500)	1,149,082	133,358	1,314,794
<b>NET CHANGE IN FUND BALANCES</b>	1,601,382	(812,349)	1,468,125	114,247	2,371,405
<b>FUND BALANCES (DEFICITS), Beginning of year</b>	7,716,788	(75,351)	(2,681,817)	3,545,594	8,505,214
<b>FUND BALANCES (DEFICITS), End of year</b>	\$ 9,318,170	\$ (887,700)	\$ (1,213,692)	\$ 3,659,841	\$ 10,876,619

See accompanying Notes to Financial Statements

Village of Richton Park, Illinois  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances - Governmental Funds  
to the Statement of Activities  
Year Ended April 30, 2024

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Net Change in Fund Balances - Total Government Funds	\$	2,371,405
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Amounts reported for governmental activities in the  
Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while  
governmental activities report depreciation expense to allocate  
those expenditures over the life of the assets:

Capital outlay	1,996,169	
Depreciation	(1,005,403)	
Capital contributions to business-type activities	(427,027)	

<p>Certain revenues that are earned but not received within the Village's  availability period are recognized in the statement of activities when  earned and subsequently in the governmental fund financial  statements when they become available. The net difference is  recorded as a reconciling item.</p>		(1,104,975)
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Repayment of principal on long term debt is expenditure in  
governmental funds, but repayment reduces long term liabilities  
in the statement of net position:

Principal repaid		425,606
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Debt proceeds provide current financial resources to governmental funds; however,  
issuing debt increases long term liabilities in the statement of net position. In the current  
period, proceeds were received from:

Issuance of long term debt		(419,649)
Issuance of subscription		(100,531)

The change in the net pension and total OPEB liability and related deferred inflows/  
outflows of resources are reported on the statement of activities:

Illinois Municipal Retirement Fund		274,191
Police Pension Fund		(929,970)
OPEB		(24,678)

Some items reported in the Statement of Net Position do not require financial resources  
and, therefore, are not reported as liabilities in government funds. These activities  
consist of:

Change in compensated absences		(21,193)
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Change in Net Position of Governmental Activities	\$	1,033,945
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Village of Richton Park, Illinois  
Statement of Net Position  
Proprietary Funds  
April 30, 2024

	Business-type Activities - Enterprise Funds			
	Major		Nonmajor	Total
	Water and Sewer Fund	Refuse Fund	Commuter Parking Lot Fund	
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 1,301,314	\$ 240,947	\$ 202,967	\$ 1,745,228
Accounts receivable	795,512	49,201	-	844,713
Due from other funds	238,443	-	11,417	249,860
Total current assets	2,335,269	290,148	214,384	2,839,801
Noncurrent Assets:				
Capital Assets:				
Land	299,311	-	272,349	571,660
Construction in progress	29,100	-	-	29,100
Other capital assets, net of depreciation	15,106,095	287,603	260,911	15,654,609
Total noncurrent assets	15,434,506	287,603	533,260	16,255,369
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred loss on debt refunding	20,119	-	-	20,119
Pension items - IMRF	326,613	35,571	-	362,184
Total assets and deferred outflows of resources	\$ 18,116,507	\$ 613,322	\$ 747,644	\$ 19,477,473
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	\$ 94,367	\$ 75,268	\$ -	\$ 169,635
Accrued payroll and related	18,951	-	765	19,716
Accrued interest	85,400	-	-	85,400
Deposits	8,578	-	-	8,578
Due to other funds	267,651	41,339	260,780	569,770
Advances from other funds	-	700,098	-	700,098
Total current liabilities	474,947	816,705	261,545	1,553,197
Noncurrent Liabilities:				
Due within one year	265,262	-	-	265,262
Due in more than one year	5,674,146	74,188	-	5,748,334
Total noncurrent liabilities	5,939,408	74,188	-	6,013,596
Total liabilities	6,414,355	890,893	261,545	7,566,793
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension items - IMRF	12,148	11,078	7,401	30,627
Total liabilities and deferred inflows of resources	6,426,503	901,971	268,946	7,597,420
<b>NET POSITION</b>				
Net investment in capital assets	10,166,766	287,603	533,260	10,987,629
Unrestricted (deficit)	1,523,238	(576,252)	(54,562)	892,424
Total net position (deficit)	11,690,004	(288,649)	478,698	11,880,053
Total liabilities, deferred inflows of resources, and net position (deficit)	\$ 18,116,507	\$ 613,322	\$ 747,644	\$ 19,477,473

See accompanying Notes to Financial Statements

Village of Richton Park, Illinois  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
Year Ended April 30, 2024

	Business-type Activities - Enterprise Funds			
	Major		Nonmajor	
	Water and Sewer Fund	Refuse Fund	Commuter Parking Lot Fund	Total
<b>Operating revenues</b>				
Charges for services	\$ 4,861,741	\$ 1,121,108	\$ 101,508	\$ 6,084,357
Other	31,800	20,000	-	51,800
Total operating revenues	4,893,541	1,141,108	101,508	6,136,157
<b>Operating expenses</b>				
Personnel	1,186,000	130,614	2,557	1,319,171
Contractual	1,048,597	1,006,315	12,315	2,067,227
Commodities	161,760	13,867	6,600	182,227
Other operating expenses	804,693	10,360	-	815,053
Depreciation	602,381	15,137	12,615	630,133
Total operating expenses	3,803,431	1,176,293	34,087	5,013,811
Operating income (loss)	1,090,110	(35,185)	67,421	1,122,346
<b>Nonoperating expenses</b>				
Interest expense	(203,807)	-	-	(203,807)
Change in net position before capital contributions and transfers	886,303	(35,185)	67,421	918,539
Contributions and transfers:				
Capital contributions	277,027	150,000	-	427,027
Transfers out	(794,614)	-	-	(794,614)
Total contributions and transfers	(517,587)	150,000	-	(367,587)
Change in net position	368,716	114,815	67,421	550,952
Net position, beginning of year	11,321,288	(403,464)	411,277	11,329,101
Net position (deficit), end of year	\$ 11,690,004	\$ (288,649)	\$ 478,698	\$ 11,880,053

See accompanying Notes to Financial Statements

Village of Richton Park, Illinois  
Statement of Cash Flows  
Proprietary Funds  
Year Ended April 30, 2024

	Business-type Activities - Enterprise Funds			
	Major		Nonmajor	
	Water and Sewer Fund	Refuse Fund	Commuter Parking Lot Fund	Total
<b>Net cash flows from operating activities</b>				
Receipts from customers	\$ 4,753,231	\$ 1,104,454	\$ 101,508	\$ 5,959,193
Payments to suppliers	(2,019,277)	(1,157,803)	(25,215)	(3,202,295)
Payments to employees	(1,254,660)	(149,330)	(12,431)	(1,416,421)
Net cash provided by (used in) operating activities	1,479,294	(202,679)	63,862	1,340,477
<b>Net cash flows from noncapital financing activities</b>				
Interfund borrowing	124,755	-	11,897	136,652
Transfers from/(to) other funds	(794,614)	-	-	(794,614)
Net cash provided by (used in) noncapital financing activities	(669,859)	-	11,897	(657,962)
<b>Net cash flows from capital and related financing activities</b>				
Capital asset purchases	(444,031)	(152,740)	-	(596,771)
Principal paid on long term debt	(260,038)	-	-	(260,038)
Interest paid	(213,226)	-	-	(213,226)
Net cash (used) by capital and related financing activities	(917,295)	(152,740)	-	(1,070,035)
<b>Net increase (decrease) in cash and cash equivalents</b>	(107,860)	(355,419)	75,759	(387,520)
<b>Cash and cash equivalents:</b>				
Beginning of year	1,409,174	596,366	127,208	2,132,748
End of year	\$ 1,301,314	\$ 240,947	\$ 202,967	\$ 1,745,228
<b>Reconciliation of operating income (loss) to net cash flows from operating activities</b>				
Operating income (loss)	\$ 1,090,110	\$ (35,185)	\$ 67,421	\$ 1,122,346
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Depreciation	602,381	15,137	12,615	630,133
(Increase) decrease in:				
Receivables	(106,643)	(36,654)	-	(143,297)
Deferred outflows of resources - IMRF	14,408	14,301	399	29,108
Customer deposits	(33,667)	-	-	(33,667)
Accrued payroll and related	15,206	-	(409)	14,797
Accounts payable	(4,227)	(127,261)	(6,300)	(137,788)
Net pension liability	(84,441)	(27,945)	(831)	(113,217)
Deferred inflows of resources - IMRF	(13,833)	(5,072)	(9,033)	(27,938)
Net cash flows from operating activities	\$ 1,479,294	\$ (202,679)	\$ 63,862	\$ 1,340,477
<b>Supplemental information:</b>				
Noncash capital and related financing activities:				
Capital contributions	\$ 277,027	\$ 150,000	\$ -	\$ 427,027

See accompanying Notes to Financial Statements

Village of Richton Park, Illinois  
Statement of Fiduciary Net Position  
Fiduciary Funds  
April 30, 2024

	Police Pension Fund	Friends of Richton Park Foundation Fund
<b>ASSETS</b>		
Cash and cash equivalents	\$ 131,663	\$ 75,442
Accounts receivable	-	47
Prepaid expenses	3,463	-
Investments, at fair value:		
Pooled investments	19,808,070	-
Total assets	<u>\$ 19,943,196</u>	<u>\$ 75,489</u>
<b>LIABILITIES</b>		
Accounts payable	<u>\$ 1,365</u>	<u>\$ 200</u>
<b>NET POSITION</b>		
Restricted for pension plan held in trust for pension benefits	19,941,831	-
Restricted for organizations	-	75,289
Total net position	<u>\$ 19,941,831</u>	<u>\$ 75,289</u>

See accompanying Notes to Financial Statements

Village of Richton Park, Illinois  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
Year Ended April 30, 2024

	Police Pension Fund	Friends of Richton Park Foundation Fund
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 1,199,301	\$ -
Plan members	207,873	-
Donations/events	-	40,585
Total contributions	<u>1,407,174</u>	<u>40,585</u>
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	1,597,981	-
Interest and dividends	<u>133,692</u>	-
Total investment income (loss)	1,731,673	-
Less: investment expense	<u>(10,237)</u>	-
Net investment income (loss)	<u>1,721,436</u>	-
Total additions	<u>3,128,610</u>	<u>40,585</u>
<b>DEDUCTIONS</b>		
Benefits and refunds	1,913,658	-
Administrative expenses	<u>64,237</u>	<u>26,476</u>
Total deductions	<u>1,977,895</u>	<u>26,476</u>
<b>CHANGE IN NET POSITION</b>	1,150,715	14,109
<b>NET POSITION</b>		
Net position, beginning of year	<u>18,791,116</u>	<u>61,180</u>
Net position, end of year	<u>\$ 19,941,831</u>	<u>\$ 75,289</u>

See accompanying Notes to Financial Statements

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Nature of Activities**

The Village of Richton Park, Illinois (the "Village") is located in Cook County, Illinois, and is a municipal corporation governed by an elected board. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made upon the significance of its operational or financial relationship with the primary government.

The accounting policies of the Village conform to accounting principles generally accepted in the United States as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

### **Financial Reporting Entity**

The accompanying financial statements present the primary government, organizations for which the primary government is financially accountable, and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials are financially accountable or whose exclusion would render the financial statements misleading because of the nature and significance of their relationship. Based on these criteria, the Village is considered a primary government and there is one fiduciary component unit whose financial statements are combined and presented with these financial statements.

### **Police Pension Fund**

The Village police employees participate in the Police Pension Fund, a fiduciary component unit of the Village. The Police Pension Fund provides retirement, death and disability benefits to eligible participants. The Village is obligated to fund all Police Pension Fund costs not funded by the Police Pension Fund participants based upon actuarial valuations, which creates a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the Police Pension Fund being fiscally dependent upon the Village. The Police Pension Fund is reported as a pension trust fund.

### **Government-Wide Financial Statements**

The government-wide Statement of Net Position and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double counting of internal activities of the Village. The financial activities of the Village consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for services.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Government-Wide Financial Statements (Continued)

The Statement of Net Position presents the primary government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported in three categories:

**Net investment in capital assets** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted net position**, if applicable, results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

**Unrestricted net position** consists of net position that does not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first to finance qualifying activities, then unrestricted resources as they are needed.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e. general services, public safety, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

### Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

A fund is considered major if it is the primary operating fund of the Village, meets the following criteria or the Village considers it to be a major fund:

- Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least ten percent of the corresponding total for all funds of that category or type; and
- Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of the individual governmental or proprietary fund are at least five percent of the corresponding total for all governmental and proprietary funds combined.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund Financial Statements (Continued)**

The Village reports the following major governmental funds:

*General Fund* – This fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*TIF Lakewood Fund* – This fund accounts for financial resources to be used in the acquisition or development of property within the tax incremental financing district.

*Capital Projects Fund* – This fund accounts for financial resources to be used in the acquisition or construction of major capital facilities (other than those financed by proprietary or pension trust funds).

The Village reports the following major enterprise funds:

*Water and Sewer Fund* - Accounts for provision of water and sewer services, repair, and improvement services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

*Refuse Fund* - Accounts for operations of the refuse collection system.

Additionally, the Village reports the following fiduciary funds:

*Police Pension Trust Fund* - Accounts for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by State statutes and by the Village through an annual property tax levy.

*Custodial Fund* - Accounts for the operations of the Friends of Richton Park Foundation (Foundation). The Foundation is a 501(c)3 non-profit organization that was founded in 2018. The Foundation is established to support the Village of Richton Park on developing a safe, healthier, more successful future for youth, seniors and others to grow and thrive in a dynamic community. The Foundation works to support and provide scholarships for higher education, quality youth programs and events and support for the Rich Township Food Pantry. It is governed by a six-person board that makes decisions on the affairs of the Foundation.

**Measurement Focus and Basis of Accounting and Financial Statement Presentation**

Government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues and contributions are recorded when earned and expenses including benefits and refunds paid are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes and State shared revenues. On the accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, state shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected approximately within 60 days of the end of the current fiscal year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service related to compensated absences are recorded only when payment is due.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

**Cash and Cash Equivalents**

The Village considers cash and cash equivalents to be all cash on hand, demand deposits, time deposits and all highly liquid investments, with an original maturity of three months or less when purchased.

**Investments**

Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The Village considers quoted market prices at April 30, 2024 to be the fair value of its investments.

**Interfund Transactions**

The Village has the following types of transactions between funds:

*Loans* - amounts provided with a requirement for repayment. Interfund loans are reported as "due from other funds" or "advances to other funds" in lender funds and "due to other funds" or "advances from other funds" in borrower funds in the fund balance sheets or fund statements of net position.

*Reimbursements* - repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

*Transfers* - flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for under the consumption method, whereby amounts are recorded as expenditures during the period benefited by the goods or services.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Capital Assets**

Capital assets, which include buildings and improvements, land improvements, equipment, and infrastructure assets are reported in applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with a cost of \$10,000 or more and a useful life of more than one year. The cost of any additions or improvements greater than \$5,000, that extend the useful life of an asset more than one year, are also considered capital assets. All capital assets are valued at historical cost or estimated historical cost if factual historical cost is not available. Donated capital assets are recorded at estimated acquisition value at date of donation.

All reported capital assets except land and construction in progress are depreciated. Depreciation of all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Capital Asset Category</u>	<u>Estimated Useful Life</u>
Buildings and improvements	10 – 80 years
Land improvements	20 years
Equipment	3 – 30 years
Right to use equipment	5 years
Right to use subscriptions	4 years
Infrastructure	80 – 100 years

**Property Taxes**

The Village's policy is to record property taxes when they have been levied and extended and are both measurable and available. Property taxes receivable are initially recorded at the gross levy amount less an allowance for uncollectible taxes, determined by management estimate. The receivable and the allowance are adjusted periodically to reflect taxes receivable at their estimated realizable value. The allowance for uncollectible taxes as of April 30, 2024 is \$109,929.

**Receivables**

Other receivables in the proprietary funds are recorded net of allowance for uncollectible accounts. As of April 30, 2024, the allowance for uncollectible accounts in the proprietary funds is \$49,432.

**Unearned Revenue**

The Village defers revenue recognition in connection with resources that have been received, but not yet earned.

**Long-Term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Position.

In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds' debt. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

**Leases**

**Lessee:** The Village is a lessee in equipment leases. The Village recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary financial statements.

At the commencement of a lease, the Village initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Lease assets are reported with other capital assets and lease liabilities are reported with noncurrent liabilities on the statement of net position.

**Lessor:** The Village is a lessor in real estate leases. The Village recognizes a lease receivable and a deferred inflow of resources in the government-wide, proprietary and governmental fund financial statements.

At the commencement of a lease, the Village initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

**All Leases:** Key estimates and judgments include how the Village determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- For leases where the Village is a lessee, the Village uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Village generally uses its estimated incremental borrowing rate as the discount rate for leases.
- For leases where the Village is a lessor, the Village uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The Village monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**Subscription-Based Information Technology Agreements (SBITAs):** The Village is a subscriber to various software programs. The Village recognizes a subscription liability and an intangible right to use subscription asset in the government-wide and proprietary financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

At the commencement of a subscription, the Village initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

Key estimates and judgments include how the Village determines: (1) the discount rate it uses to discount the expected subscription payments to present value, and (2) subscription term.

- The Village uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the Village generally uses its estimated incremental borrowing rate as the discount rate for subscription.
- The subscription term includes the noncancellable period of the subscription.

The Village monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription liability and subscription assets if certain changes occur that are expected to significantly affect the amount of the subscription liability.

**Compensated Absences**

Vacation leave is recorded in governmental funds when due (upon employee retirement or termination). Vested or accumulated vacation leave of proprietary funds when due is recorded as an expense and liability of those funds as the benefits accrue to employees.

**Deferred Outflows of Resources**

In addition to assets, the statement of net position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village has two items that qualify for reporting in this category: (1) a deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt and (2) deferred charges related to defined benefit pension plans. These charges will be amortized according to the benefit terms of the plans.

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents the acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Village has three items that qualify for reporting in this category: (1) unavailable revenues from property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available; (2) deferred inflows of resources related to defined benefit pension plans. This income will be recognized according to the benefit terms of the plans; and (3) deferred lease revenue, which is recognized as revenue over the life of the lease term.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and Police Pension Plan and additions to/deductions from the pensions' fiduciary net position have been determined on the same basis as they are reported by IMRF and the police pension trust fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Other Post-Employment Benefits (OPEB) Obligations**

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB expense; information has been determined on the same basis as it is reported by the plan. For this purpose, OPEB payments (including refunds of employee contributions) are recognized when due and payable in accordance with the OPEB plan terms. The Village does contribute to the plan. However, there are no actuarially determined contributions as there is no trust that exists for funding the OPEB plan.

**Fund Balances**

Within the governmental fund type, the Village's fund balances are reported in one of the following classifications:

*Nonspendable* - amounts that are not in spendable form or are legally or contractually required to be maintained intact.

*Restricted* - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.

*Committed* - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority. The Village Board is the highest level of decision-making authority for the Village that can, by adoption of ordinance prior to the end of the year, commit fund balance. Once adopted, the limitation remains in place until a similar action is taken (adoption of another ordinance) to remove or revise the limitation.

*Assigned* - amounts the Village intends to use for specific purposes as determined by the Village Board. It assumed that creation of a fund automatically assigns fund balance.

*Unassigned* - amounts that are available for any purpose.

Net position/fund balance is displayed in the order of the relative strength of the spending constraints placed on the purposes for which resources can be used. The Village's flow of funds assumption prescribes that funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by the assigned and unassigned funds.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2 – CASH AND INVESTMENTS**

**Deposits with Financial Institutions**

*Custodial credit risk-deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village does not have a deposit policy for custodial credit risk. The Police Pension Plan's investment policy requires all bank balances to be covered by federal depository insurance. As of April 30, 2024, the Village's total bank balance was \$8,166,788. Account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities of the U.S. government or with letters of credit issued by the Federal Home Loan Bank held in the Village's name by financial institutions acting as the Village's agent.

**Investments**

The Village is allowed to invest in securities as authorized by the Illinois Compiled Statutes, Chapter 30, Act 235/Articles 2 and 6. Illinois Public Act 101-0610 consolidated the assets of the state's numerous downstate and suburban police pension funds into the Illinois Police Pension Investment Fund to pool their funds for investment purposes. Thus, the investments of the Police Pension Funds were transferred to the Illinois Police Pension Investment Trust during fiscal year 2023. The Police Pension Investment Fund is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. As of April 30, 2024, the Village and Police Pension Fund had the following investments:

	Fair Value		
	Statement of Net Position	Statement of Fiduciary Net Position	Total
Local government investment pool	\$ 6,014,709	\$ -	\$ 6,014,709
Illinois Police Officers' Pension Investment Fund	-	19,808,070	19,808,070
	<u>\$ 6,014,709</u>	<u>\$ 19,808,070</u>	<u>\$ 25,822,779</u>

Illinois Police Officer's Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police officer's pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police officer's pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2023. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at [www.ipopif.org](http://www.ipopif.org). Investments in IPOPIF are valued at the Net Asset Value (NAV) per share as determined by the pool.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

*Interest rate risk.* Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village and Police Pension Fund have no specific policy on the interest rate risk at year-end.

None of the Village's and Police Pension Fund's investments are subject to market interest rate fluctuations. The following table that shows the investments measured a net asset value:

Investments not sensitive to interest rate risk:	
Local government investment pool	\$ 6,014,709
Illinois Police Officers' Pension Investment Fund	19,808,070
Total investments	<u>\$ 25,822,779</u>

*Credit risk.* Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Local government investment pool is rated AAA by Standard & Poors. The Illinois Police Pension Investment Fund is not rated.

*Concentration of Credit Risk.* The Village's and Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk.

*Custodial Credit Risk-Investments.* For an investment, this is the risk that, in the event of the failure of the counterparty, the Village or Police Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The local government investment pool is not subject to custodial credit risk in that they are insured. All other investments are subject to custodial credit risk.

*Foreign Currency Risk.* The Village and Police Pension Fund have no foreign currency risk for investments at year end.

*Fair Value Measurement and Application.* The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The fair value of bonds is determined using recently executed transactions, market price quotations, bond spreads, credit default swap spreads, or at the money volatility or volatility skew, adjusted for any basis difference between cash and derivative instruments. The fair value of U.S. government and agency obligations is model-driven based on spreads of a comparable to-be-announced security. As of April 30, 2024, the Village's investments are valued as follows:

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Village:				
Local government investment pool	\$ 6,014,709	\$ 6,014,709	\$ -	\$ -

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

The Village has investments measured at net asset value (NAV) such as the Illinois Funds. In addition, the Village has investments measured at amortized cost as the remaining maturity at purchase is less than one year, such as money market accounts. The following are investments measured at NAV or amortized cost.

Investments measured at net asset value (NAV)	April 30, 2024	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Police Pension Fund: IPOPIF	<u>\$ 19,808,070</u>	N/A	Daily	1 day

**NOTE 3 – PROPERTY TAXES**

The Village annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the Village Board of Trustees. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by Cook County and issued on or about February 1 and July 1 and are repayable in two installments on or about March 1 and August 1. These dates are subject to change by the County. The County collects such taxes and periodically remits them to the Village.

The 2023 property tax assessment, which was levied in December 2023, is to finance the budget for the fiscal year beginning May 1, 2023, and the revenue to be produced from that assessment is to be recognized during that period, provided the "available" criteria has been met. "Available" means when due or receivable within the current period and collected within that fiscal period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For governmental fund types, property taxes collected in advance of the fiscal year for which they are levied are recorded as unavailable property tax and recognized as revenue in the year in which they are received. A reduction for collection losses based on historical collection experience has been provided on uncollected tax liens.

**NOTE 4 – LEASES RECEIVABLE**

The Village leases land to third parties. The following are the leases in effect at April 30, 2024 in which the Village is a lessor:

Lease type	Lease Term		Discount Rate	Original Balance	Ending Balance	Due in 1 Year	Revenues	
	Beginning	Ending					Lease	Interest
Land (cell tower)	5/1/2022	11/30/2038	3.4020%	\$ 484,597	\$ 452,483	\$ 17,620	\$ 29,222	\$ 15,738
Land (cell tower)	5/1/2022	11/30/2029	2.6296%	364,877	286,083	43,484	48,116	8,107

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2024 was as follows:

	Balance at May 1, 2023	Additions	Deletions	Balance at April 30, 2024
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,283,372	\$ -	\$ -	\$ 6,283,372
Site improvements	400,000	-	-	400,000
Construction in progress	987,166	989,987	(1,189,356)	787,797
Subtotal	7,670,538	989,987	(1,189,356)	7,471,169
Capital assets being depreciated/amortized:				
Land improvements	749,071	-	-	749,071
Buildings	4,773,425	30,000	-	4,803,425
Building improvements	577,847	49,431	-	627,278
Vehicles	3,152,151	218,836	(158,352)	3,212,635
Equipment	1,699,221	253,641	-	1,952,862
Right to use equipment	669,726	-	-	669,726
Right to use subscription	-	100,531	-	100,531
Infrastructure	8,467,768	1,116,072	-	9,583,840
Subtotal	20,089,209	1,768,511	(158,352)	21,699,368
Accumulated depreciation/amortization	(9,420,054)	(1,005,403)	158,352	(10,267,105)
Capital assets being depreciated/amortized, net	10,669,155	763,108	-	11,432,263
Total governmental activities capital assets, net	\$ 18,339,693	\$ 1,753,095	\$ (1,189,356)	\$ 18,903,432

	Balance at May 1, 2023	Restatement	Restated Balance May 1, 2023	Additions	Deletions	Balance at April 30, 2024
Business-type activities:						
Capital assets not being depreciated:						
Land	\$ 571,660	\$ -	\$ 571,660	\$ -	\$ -	\$ 571,660
Construction in progress	-	-	-	29,100	-	29,100
Subtotal	571,660	-	571,660	29,100	-	600,760
Capital assets being depreciated:						
Land improvements	1,431,334	-	1,431,334	-	-	1,431,334
Buildings	3,272,445	-	3,272,445	-	-	3,272,445
Vehicles	914,333	-	914,333	849,610	(409,802)	1,354,141
Equipment	2,509,416	-	2,509,416	-	-	2,509,416
Right to use subscription	-	78,577	78,577	-	-	78,577
Infrastructure	17,596,630	-	17,596,630	145,088	-	17,741,718
Subtotal	25,724,158	78,577	25,802,735	994,698	(409,802)	26,387,631
Accumulated depreciation/amortization	(10,512,691)	-	(10,512,691)	(630,133)	409,802	(10,733,022)
Capital assets being depreciated/ amortized, net	15,211,467	78,577	15,290,044	364,565	-	15,654,609
Total business-type activities capital assets, net	\$ 15,783,127	\$ 78,577	\$ 15,861,704	\$ 393,665	\$ -	\$ 16,255,369

See Note 15 for a further discussion of the restatements.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 5 – CAPITAL ASSETS (Continued)**

Depreciation expense was charged to the following functions:

Governmental Activities		Business-type Activities	
General government	\$ 595,253	Water and sewer	\$ 602,381
Public Safety	156,222	Refuse	15,137
Economic Development	219,289	Commuter parking lot	12,615
Public works	34,639	Total	<u>\$ 630,133</u>
Total	<u>\$ 1,005,403</u>		

**NOTE 6 – LONG-TERM OBLIGATIONS**

Long-term debt, leases and subscriptions consisted of the following at April 30, 2024:

	Date of Issuance	Maturity Date	Interest Rate	Original Issuance	Carrying Amount
Governmental Activities:					
GO Bonds, Series 2020	8/6/2020	12/1/2040	1.80 - 3.75%	\$3,500,000	\$3,210,000
Financed purchase	6/15/2023	6/15/2033	4.99%	419,649	419,649
Lease liabilities:					
Equipment	5/1/2022	8/31/2024	2.64%	332,133	60,818
Police vehicles	5/1/2022	7/31/2024	2.64%	176,288	32,280
Police radios	5/1/2022	7/1/2025	2.80%	142,563	73,100
Subscription liability	5/1/2023	8/1/2027	2.64%	100,530	74,281
Business-type activities:					
Alternate revenue source bonds. Series 2017	12/1/2017	12/1/2039	3.00 - 4.00%	6,700,000	5,125,000
Subscription liability	5/1/2023	8/1/2027	2.64%	78,577	63,539

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 6 – LONG-TERM OBLIGATIONS (Continued)**

Long-term debt, lease liability and compensated absences activity for the year ended April 30, 2024 was as follows:

	Balance at May 1, 2023	Issued	Retired	Balance at April 30, 2024	One Year
Governmental Activities:					
GO Bonds, Series 2020	\$ 3,355,000	\$ -	\$ 145,000	\$ 3,210,000	\$ 150,000
Financed purchase	-	419,649	-	419,649	32,894
Lease liability	420,554	-	254,356	166,198	129,138
Subscription liability	-	100,531	26,250	74,281	24,738
Compensated absences	912,392	23,378	2,185	933,585	93,359
Net pension liability:					
IMRF	2,752,373	-	639,854	2,112,519	-
Police pension	20,061,920	-	271,826	19,790,094	-
Total OPEB liability	1,644,607	24,678	-	1,669,285	82,222
Total governmental activities	\$ 29,146,846	\$ 568,236	\$ 1,339,471	\$ 28,375,611	\$ 512,351

	Balance at May 1, 2023	Restated Restatement	Balance at May 1, 2023	Issued	Retired	Balance at April 30, 2024	Due within One Year
Business-type activities:							
Alternate revenue source, Series 2017	\$ 5,370,000	\$ -	\$ 5,370,000	\$ -	\$ 245,000	\$ 5,125,000	\$ 250,000
Unamortized bond premium	111,343	-	111,343	-	12,025	99,318	-
Subscription Liability	-	78,577	78,577	-	15,038	63,539	15,262
Net pension liability - IMRF	814,415	-	814,415	-	113,217	701,198	-
Compensated absences	23,281	-	23,281	3,987	-	27,268	2,727
Total business-type activities	\$ 6,319,039	\$ 78,577	\$ 6,397,616	\$ 3,987	\$ 385,280	\$ 6,016,323	\$ 267,989

\*Note that the current portion of the compensated absence balance is reported under "accrued payroll and related" in the statement of net position

**Bonds Payable**

Annual debt service requirements to maturity for bonds payable are as follows:

Year End	General Obligation Bond		Alternate Revenue Source	
	Principal	Interest	Principal	Interest
2025	\$ 150,000	101,515	\$ 250,000	\$ 201,800
2026	155,000	98,365	260,000	191,800
2027	155,000	94,955	275,000	181,400
2028	160,000	91,390	290,000	170,400
2029	165,000	87,390	300,000	158,800
2030 - 2034	900,000	362,980	1,695,000	603,400
2035 - 2039	1,050,000	205,440	2,055,000	240,113
2040 - 2041	475,000	26,813	-	-
	\$ 3,210,000	\$ 1,068,848	\$ 5,125,000	\$ 1,747,713

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 6 – LONG-TERM OBLIGATIONS** (Continued)

On September 28, 2017, the Village issued \$6,700,000 (plus premium of \$180,992) in General Obligation, (Water and Sewer System Alternate Revenue Source) Series 2017 with an average interest rate of 3.75%. The proceeds principally were used to advance refund the Series 2006 Bonds and to fund capital improvements to the Village's water and sewer infrastructure. The proceeds used for the refunding were deposited in an irrevocable trust to provide for future debt service on the Series 2006 Bonds. As a result, that portion of the 2006 series bonds is considered deceased, and the Village has removed the liability from its accounts. The Trust paid off the Series 2006 bonds on the bonds' call date of October 30, 2017. The advance refunding increased total debt service payments over the next 15 years by approximately \$775,000. This resulted in a deferred loss on the refunding of \$91,506 which is being amortized over the life of the original maturity of the Series 2006 bonds. The unamortized deferred loss on refunding is \$20,119 as of April 30, 2024.

On August 6, 2020, the Village issued \$3,500,000 in Taxable General Obligation Bonds, Series 2020 that bear interest at 1.80% to 3.75%, which is due June 1 and December 1 of each year, while the principal amounts mature serially on December 1 of each year, with final maturity on December 1, 2040. The proceeds were used for corporate purposes. The bond will be repaid from State use taxes.

**Financed Purchase**

The Village entered into a financed purchase during the year ended April 30, 2024 for the purchase of a fire truck at a gross cost of \$419,649. The financed purchase is payable in monthly installments of \$5,080 including interest payable at 4.99%.

Financed purchases will be made out of the general fund.

Annual debt service requirements to maturity under this financed purchase are as follows:

	Financed Purchase	
	Principal	Interest
2025	\$ 32,894	\$ 21,426
2026	20,087	35,794
2027	43,653	17,307
2028	45,882	15,079
2029	48,225	12,736
2030-2034	228,908	25,094
	<u>\$ 419,649</u>	<u>\$ 127,436</u>

**Lease Liabilities**

The Village entered into a lease during the year ended April 30, 2020 for the use of equipment at a gross cost of \$653,042. The lease is payable in monthly installments of \$12,244 including interest payable at 2.6388%.

The Village entered into a lease during the year ended April 30, 2021 for the use of police vehicles at a gross cost of \$282,038. The lease is payable in monthly installments of \$6,499 including interest payable at 2.6388%.

The Village entered into a lease during the year ended April 30, 2021 for the use of police radios at a gross cost of \$166,380. The lease is payable in annual installments of \$37,321 including interest payable at 2.7960%.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 6 – LONG-TERM OBLIGATIONS** (Continued)

Lease liabilities will be paid by the General Fund.

Annual debt service requirements to maturity under these lease liabilities are as follows:

For the Year Ended April 30,	Principal	Interest
2025	\$ 129,138	\$ 1,895
2026	37,060	260
Total	<u>\$ 166,198</u>	<u>\$ 2,155</u>

**Subscription Liabilities**

The Village entered into a subscription agreement for video and audio surveillance software at a gross cost of \$100,531. The subscription is payable in annual installments of \$26,250, including interest payable at 2.64%. These payments will be paid by the General Fund.

The Village also entered into a subscription agreement for water metering software at a gross cost of \$78,577. The subscription is payable in annual installments of \$16,664, including interest payable at 2.64%. These payments will be paid by the Water & Sewer Fund.

Annual debt service requirements to maturity under these subscriptions are as follows:

Year End	Subscription Liabilities			
	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 24,738	\$ 1,512	\$ 15,262	\$ 1,402
2026	24,755	1,495	15,670	994
2027	24,788	1,463	16,089	576
2028	-	-	16,518	146
	<u>\$ 74,281</u>	<u>\$ 4,470</u>	<u>\$ 63,539</u>	<u>\$ 3,118</u>

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 7 – INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS**

Interfund receivable and payable balances at April 30, 2024, are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 3,592,100	\$ 1,398
TIF Lakewood Fund	-	201,000
Capital Projects Fund	332,797	1,798,887
Nonmajor Governmental Funds	1,175,904	2,779,606
Water and Sewer Fund	238,443	267,651
Refuse Fund	-	41,339
Commuter Parking Lot Fund	11,417	260,780
	<u>\$ 5,350,661</u>	<u>\$ 5,350,661</u>

All interfund debt reflects operating advances which are expected to be repaid or reported as a transfer in the following fiscal year.

Interfund advances balances at April 30, 2024, are as follows:

	Advances to Other Funds	Advances From Other Funds
General Fund	\$ 1,679,918	\$ -
Nonmajor Governmental Funds	-	979,820
Refuse Fund	-	700,098
	<u>\$ 1,679,918</u>	<u>\$ 1,679,918</u>

Advances are not expected to be repaid or reported as a transfer in the following fiscal year.

The following transfers were made during the year:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 465,326
TIF Lakewood Fund	-	22,500
Capital Projects Fund	1,149,082	-
Water and Sewer Fund	-	794,614
Nonmajor Governmental Funds	232,139	98,781
Total	<u>\$ 1,381,221</u>	<u>\$ 1,381,221</u>

The Village transferred a total of \$1,381,221 from the General Fund, the TIF Lakewood Fund, the Water and Sewer fund and other nonmajor governmental funds to cover capital projects expenses related to water projects and other capital related expenses.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 8 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Information**

The Village follows these procedures in establishing the budgeting data reflected in the financial statements:

- (a) Prior to April 30, the Treasurer submits to the Village Board a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures/expenses and the means to finance them.
- (b) Public hearings are conducted to obtain taxpayer comments.
- (c) Prior to April 30, the budget is legally enacted through passage of an appropriations ordinance.
- (d) The Treasurer is authorized to transfer budgeted amounts between departments within any fund; however, revisions that alter the total expenditures of any fund must be approved by the Village Board.
- (e) Formal budgetary integration is employed as a management control device during the year.
- (f) Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles.
- (g) Appropriations lapse at the end of the fiscal year.

The budget amounts are as originally adopted by the Village Board. The Village budgets revenue, expenditures/expenses and transfers based on anticipated funds to be received. Budgets reflect gains or losses, by fund, for each fiscal year.

For the fiscal year ended April 30, 2024, the general fund's expenditures exceeded budget by \$231,465.

**Deficit Fund Balances/Net Position**

As of April 30, 2024 the following funds had a deficit fund balance:

Governmental Activities:	
TIF Lakewood Fund	\$ (887,700)
Capital Projects Fund	(1,213,692)
Nonmajor funds:	
TIF Sauk Trail Governor's Highway Fund	(361,454)
Parks and Recreation Fund	(647,598)
Business-type Activities:	
Refuse Fund	(288,649)

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND**

*Plan Description.* The Village contributes to a defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefit level, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Benefits Provided.* IMRF has three benefits plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

*Employees Covered by Benefit Terms.* As of December 31, 2023 the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	81
Inactive plan members entitled to but not yet receiving benefits	83
Active plan members	52
Total	<u>216</u>

*Contributions.* As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2024 and 2023 were 11.53% and 11.49%, respectively. For the fiscal year ended April 30, 2024, the Village contributed \$415,979 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

*Net Pension Liability.* The Village's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The following are the methods and assumptions used to determine total pension liability at December 31, 2023:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25 percent.
- **Salary Increases** were expected to be 2.85 percent to 13.75 percent, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25 percent.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- For **Non-disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108 percent) and Female (adjusted 106.4 percent) tables, and future mortality improvements projected using scale MP-2021.
- For **Disabled Retirees**, the Pub 2010, amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- The **Long-Term Expected Rate of Return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table as of December 31, 2023:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	34.5%	5.00%
International Equities	18.0%	6.35%
Fixed Income	24.5%	4.75%
Real Estate	10.5%	6.30%
Alternatives	11.5%	6.05-8.65%
Cash Equivalents	1.0%	3.80%
	<u>100.0%</u>	

There were no benefit changes during the year or other significant assumption changes. The Village is not aware of any changes that have occurred subsequent to the measurement date that are expected to have a significant effect on the net pension liability.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

**Discount Rate.** A single discount rate of 7.25% was used to measure the total pension liability as of December 31, 2023. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects:

- (1) The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
- (2) The tax-exempt municipal bond rate of 3.77 percent based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of measurement date to the extent that the contributions for use with the long-term expected rate of return are not met

Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients of the plan. Therefore, the long-term expected rate of return on pension plan investments was not blended with the AA rated general obligation bond index at December 31, 2023 to arrive at the discount rate used to determine the total pension liability. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, which is unchanged from the previous measurement date.

**Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Primary government:			
Balances at December 31, 2022	\$ 18,737,124	\$ 15,170,336	\$ 3,566,788
Changes for the year:			
Service cost	315,667	-	315,667
Interest	1,331,147	-	1,331,147
Actuarial experience	337,091	-	337,091
Assumption changes	(29,189)	-	(29,189)
Contributions - Employer	-	391,669	(391,669)
Contributions - Employee	-	153,395	(153,395)
Net Investment income	-	1,668,467	(1,668,467)
Benefit payments, including refunds	(1,068,605)	(1,068,605)	-
Other (net transfer)	-	494,256	(494,256)
Net Changes	886,111	1,639,182	(753,071)
Balances at December 31, 2023	\$ 19,623,235	\$ 16,809,518	\$ 2,813,717

**Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.** The following presents the net pension liability (asset) of the Village, calculated using a single discount rate of 7.25%. It also presents what the Village's net pension liability (asset) would be if it were calculated using a single discount rate that is 1.00% lower or 1.00% higher:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Village's net pension liability (asset)	\$ 5,102,503	\$ 2,813,717	\$ 1,005,845

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 9 – ILLINOIS MUNICIPAL RETIREMENT FUND (Continued)**

*Pension Income, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions.* For the year ended April 30, 2024, the Village recognized pension expense of \$14,038 for the regular plan. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to the IMRF regular plan pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental activities:		
Differences between expected and actual experience	\$ 232,618	\$ -
Assumption changes	-	14,078
Net difference between projected and actual earnings on pension plan investments	662,537	-
Change in proportionate share	22,670	25,204
Total deferred amounts to be recognized in pension expense in future periods	917,825	39,282
Contributions made subsequent to the measurement date	110,171	-
	<u>\$ 1,027,996</u>	<u>\$ 39,282</u>
Business-type activities:		
Differences between expected and actual experience	\$ 77,211	\$ -
Assumption changes	-	4,672
Net difference between projected and actual earnings on pension plan investments	219,914	-
Change in proportionate share	28,490	25,955
Total deferred amounts to be recognized in pension expense in future periods	325,615	30,627
Contributions made subsequent to the measurement date	36,569	-
	<u>\$ 362,184</u>	<u>\$ 30,627</u>

The Village reported \$146,740 of deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year-Ending April 30	Governmental Activities	Business-type Activities
2025	\$ 239,996	\$ 68,711
2026	277,991	106,598
2027	446,098	148,072
2028	(85,542)	(28,393)
Total	<u>\$ 878,543</u>	<u>\$ 294,988</u>

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 10 – POLICE PENSION PLAN**

*Plan Description.* Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statute (40 ILCS 5/3) and may be amended only by the Illinois Legislature. The Village accounts for the plan as a pension trust fund.

*Plan Membership.* At April 30, 2024, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	21
Inactive plan members entitled to but not yet receiving benefits	7
Active plan members	23
Total	<u>51</u>

*Benefits Provided.* The Police Pension Plan provides retirement benefits as well as death and disability benefits in two tiers depending on when a participant enters the plan. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to  $\frac{1}{2}$  of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service. The monthly benefit of a police officer who retired with 20 or more of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$138,094 and \$134,071 for 2024 and 2023, respectively. The cap is adjusted annually by the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  % for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 50% of final salary or the employee's retirement benefit. Employees disable in the line of duty receive 65% of final salary.

*Contributions.* Covered employees are required by ILCS to contribute 9.91% of their base salary to the plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Fund, as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year ended April 30, 2024, the Village's contribution was \$1,199,301 or 48.53% covered-employee payroll

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 10 – POLICE PENSION PLAN (Continued)**

*Investment Policy.* ILCS limit the Plan's investments to those allowable by ILCS and require the Plan's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Plan's investment policy authorizes the Plan to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Plan may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities. The Plan's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Large	23.00%	4.15%
US Small	5.00%	4.54%
International Developed	18.00%	4.64%
International Developed Small	5.00%	-0.25%
Emerging Markets	7.00%	5.31%
Private Equity (Direct)	7.00%	7.15%
Bank Loans	3.00%	2.48%
High Yield Corp. Credit	3.00%	2.48%
Emerging Market Debt	3.00%	2.82%
Private Credit	5.00%	4.37%
US TIPS	3.00%	-0.12%
Real Estate/Infrastructure	8.00%	4.00%
Cash	1.00%	-0.27%
Short-Term Gov't/Credit	3.00%	0.73%
US Treasury	3.00%	-0.60%
Core Plus Fixed Income	3.00%	0.73%
	<u>100.00%</u>	

ILCS limit the Plan's investments in equities and mutual funds to 45%. Securities in any one company should not exceed 5% of the total fund.

The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio. The long term expected rate of return on the Plan's investments was determined using an asset allocation study conducted by the Plan's investment management consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of long-term expected real rate of return excluding inflation for each major asset class included in the Plan's target asset allocation as of April 30, 2024 are shown above.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 10 – POLICE PENSION PLAN** (Continued)

*Investment Valuations, Concentrations, and Rate of Return.* All investments in the Plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices for debt securities, equity securities, and mutual funds. There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of the Plan's investments. For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments (excluding CD's), net of pension plan investment expense, was 8.89%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Single Discount Rate.* The single discount rate used to measure the total pension liability was 5.81%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to make all projected future benefit payments of current plan members through 2059. Therefore, the long-term expected rate of return on pension plan assets of 6.80% was blended with the index rate of 4.07% from the Bond Buyer 20-Bond G.O. Index at April 25, 2024 to arrive at a discount rate of 5.81% used to determine the total pension liability.

*Discount Rate Sensitivity.* The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 5.81% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	1% Decrease 4.81%	Current Discount Rate 5.81%	1% Increase 6.81%
Village's net pension liability for the police	\$ 25,945,819	\$ 19,790,094	\$ 14,815,545

*Actuarial Assumptions.* The following are the methods and assumptions used to determine total pension liability at April 30, 2024:

- The Actuarial Cost Method used was Entry Age Normal (level % of pay).
- The Discount Rate used was 5.81%.
- The Projected Individual Pay Increases used was 3.50% - 11.74%.
- The Projected Total Payroll Increases used was 3.25%.
- The Consumer Price Index used was 2.25%.
- The Inflation Rate used was 2.25%.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 10 – POLICE PENSION PLAN** (Continued)

- Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis. Retiree Mortality follows the L&A Assumption Study for Police 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates. Disabled Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis. Spouse mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.
- Retirement Rates are based on 120% of L&A 2020 Illinois Police Retirement Rates Capped at Age 62.
- Termination Rates are based on 100% of L&A 2020 Illinois Police Termination Rates.
- Disability Rates are based on 100% of L&A 2020 Illinois Police Disability Rates.
- Spouse Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.
- Marital Assumptions are based on 80% of Active Members and actual spousal data of Retiree & Disabled Members. Female spouses are assumed to be three years younger than male spouses.

The High-Quality 20 Year Tax-Exempt General Obligation Bond Rate assumption was changed from 3.53% to 4.07% for the current year. The choice of index is unchanged from the prior year. The rate has been updated based on changes in market conditions as reflected in the index. The discount rate used in the determination of the total pension liability was changed from 5.65% to 5.81%.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 10 – POLICE PENSION PLAN** (Continued)

*Changes in the Net Pension Liability for the Police Pension Fund:*

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at May 1, 2023	\$ 38,853,036	\$ 18,791,116	\$ 20,061,920
Changes for the year:			
Service cost	829,848	-	829,848
Interest	2,171,204	-	2,171,204
Actuarial experience	688,871	-	688,871
Assumption changes	(897,376)	-	(897,376)
Changes of benefit terms	-	-	-
Contributions - Employer	-	1,199,301	(1,199,301)
Contributions - Employee	-	207,873	(207,873)
Contributions - Other	-	-	-
Net Investment income	-	1,721,436	(1,721,436)
Benefit payments, including refunds	(1,913,658)	(1,913,658)	-
Administrative expense	-	(64,237)	64,237
Net Changes	878,889	1,150,715	(271,826)
Balances at April 30, 2024	\$ 39,731,925	\$ 19,941,831	\$ 19,790,094

*Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions.* For the year ended April 30, 2024, the Village recognized pension expense of \$2,129,271.

The Village reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 922,386	\$ 1,371,576
Changes of assumptions	3,341,958	1,627,075
Net difference between projected and actual earnings on investments	556,307	-
Total	\$ 4,820,651	\$ 2,998,651

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year-Ending April 30	
2025	\$ 221,836
2026	930,699
2027	756,784
2028	(88,628)
2029	1,309
Total	\$ 1,822,000

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS**

*Plan Description.* In addition to providing the pension benefits described in Notes 9 and 10, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and ILCS. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's governmental activities.

*Benefits Provided.* The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses, and dependents (enrolled at the time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's two retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

*Funding Policy.* The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

*Membership.* At April 30, 2024, membership in the plan consisted of:

Inactive plan members or beneficiaries currently receiving benefits	7
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	69
Total	<u>76</u>

*Actuarial Assumptions.* The following are the methods and assumptions used to determine the total OPEB liability at April 30, 2024:

- The Actuarial Cost Method used was the Entry Age Normal (level percent of pay).
- The Discount Rate used to measure the OPEB liability was 4.07%, the 20-year municipal bond yield from the S&P Municipal Bond 20 Year High-Grade Rate Index as of April 30, 2024.
- Salary increases were assumed to be 2.75%.
- The Healthcare Cost Trend Rate is based on the 2023 Segal Health Plan Cost Trend Survey. The grading period and ultimate trend rates selected fall within a generally accepted range. For HMO plans the initial trend begins at 7.00% decreasing by .22% to an ultimate trend of 5.00%. For PPO plans the initial trend begins at 7.40% decreasing by .27% for an initial trend of 5.00%.
- IMRF Mortality follows the PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study Report dated December 14, 2020; age 83 for males, age 87 for females.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

- Police Mortality:
  - Active mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.
  - Retiree mortality follows the L&A Assumption Study for Police 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.
  - Disability Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2017 using MP-2019 Improvement rates. These rates are then improved generationally using MP-2019
  - Spousal Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality Improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Actuarial assumptions were changed from the prior year. The discount rate was changed from 3.53% to 4.07% based on changes in market conditions as reflected in the Index.

*Changes in the Total OPEB Liability.* The Village's total OPEB liability was measured as of April 30, 2024 and was determined by an actuarial valuation as of that date.

	<u>Increase/(Decrease)</u> <u>Total OPEB</u> <u>Liability</u>
Balances at May 1, 2023	\$ 1,644,607
Changes for the year:	
Service cost	124,760
Interest	56,530
Actuarial experience	-
Assumptions changes	(70,211)
Benefit payments, including refunds	(86,401)
Net Changes	<u>24,678</u>
Balances at April 30, 2024	<u>\$ 1,669,285</u>

*Sensitivity of Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease 3.07%	Current Discount Rate 4.07%	1% Increase 5.07%
Total OPEB Liability	\$ 1,803,340	\$ 1,669,285	\$ 1,546,527

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

*Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	Current Healthcare Cost		
	1% Decrease <sup>1</sup>	Trend Rate	1% Increase <sup>2</sup>
Total OPEB Liability	\$ 1,483,748	\$ 1,669,285	\$ 1,886,762

<sup>1</sup>For HMO plans, 6.00 percent decreasing by .22 percent for an ultimate trend of 4.00 percent; for PPO plans 6.40 percent decreasing by .27 percent for an ultimate trend of 4.00 percent.

<sup>2</sup>For HMO plans, 8.00 percent decreasing by .22 percent for an ultimate trend of 6.00 percent; for PPO plans 8.40 percent decreasing by .27 percent for an ultimate trend of 6.00 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.* For the year ended April 30, 2024, the Village recognized OPEB expense of \$111,079. At April 30, 2024, the Village reported no deferred outflows of resources or deferred inflows of resources related to OPEB.

**NOTE 12 – RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions, injuries to employees; and natural disasters. The Village has purchased insurance from private insurance companies. Risks covered by medical, dental and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperation Statute, to pool their risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverage; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extension risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in the appropriate funds. Each member assumes the first \$2,500 for each occurrence since 2005. Beginning in 2005, members were given the option to assume higher deductibles. IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

## **NOTE 13 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

### **Construction Commitments**

The Village started the Town Center Stormwater Project (Project) in fiscal year 2019. The Project will be broken down in phases. As of April 30, 2024, Phases I and II are complete, and Phase III is in progress. Phase III is the construction phase of the project and will take several years to complete.

### **Economic Development Agreements**

In August 2017, the Village entered into a redevelopment agreement with a Delaware Statutory Trust (the “Developer”) to provide economic assistance for the Developer to acquire and redevelop the project site located in the Lakewood Redevelopment Project Area (TIF Lakewood). Under the terms of the agreement, the Village agrees to reimburse the Developer 95 percent of incremental property tax revenues generated within the project site on an annual basis up to over 20 years in an amount not to exceed a total TIF incentive of \$10,800,000. As of April 30, 2024, the Village has remitted \$8,102,071 related to this agreement. The final payment to the developer in the amount of \$3,039,190, including accrued interest, is included in accounts payable at April 30, 2024.

## **NOTE 14 – NEW GOVERNMENTAL ACCOUNTING STANDARDS**

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to financial guarantees and the classification and reporting of derivative instruments are effective for the Village’s fiscal year ended April 30, 2025. Management has not yet determined the impact of this statement on the Village’s financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for the Village’s fiscal year ended April 30, 2025. Management has not yet determined the impact of this statement on the Village’s financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for the Village’s fiscal year ended April 30, 2025. Management has not yet determined the impact of this statement on the Village’s financial statements.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management has not yet determined the impact of this statement on the Village’s financial statements.

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2024

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**NOTE 14 – NEW GOVERNMENTAL ACCOUNTING STANDARDS** (Continued)

In April 2024 GASB Statement No. 103, *Financial Reporting Model Improvements* will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The statement will be effective for the Village with its year ending April 30, 2026

**NOTE 15 – RESTATEMENT OF PRIOR YEAR BALANCES**

The Village implemented GASB Statement 96, Subscription-based Information Technology Agreements during the fiscal year 2024. The new standard requires the reporting of certain subscription assets and liabilities, which were not previously reported. The result of these changes impacted the beginning subscription asset and liability as shown below:

	Water & Sewer Fund	
	Subscription Asset	Subscription Liability
April 30, 2023, as originally stated	\$ -	\$ -
Implementation of GASB 96	78,577	78,576
April 30, 2023, as restated	<u>\$ 78,577</u>	<u>\$ 78,576</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

Village of Richton Park, Illinois  
Schedule of Changes in Net Pension Liability and Related Ratios  
IMRF Regular Plan  
Last Nine Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension liability:									
Service cost	\$ 315,667	\$ 321,822	\$ 312,581	\$ 382,226	\$ 379,387	\$ 296,946	\$ 332,021	\$ 275,870	\$ 251,125
Interest on the total pension liability	1,331,147	1,283,072	1,198,726	1,154,746	1,136,700	1,045,904	990,426	863,037	796,996
Benefit changes	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	337,091	81,150	550,003	(18,344)	(530,399)	574,339	455,021	1,103,413	369,115
Assumption changes	(29,189)	-	-	(82,773)	-	464,311	(416,715)	(33,787)	15,273
Benefit payments and refunds	(1,068,605)	(971,103)	(833,968)	(754,851)	(721,553)	(657,433)	(549,571)	(588,151)	(507,342)
Net change in total pension liability	886,111	714,941	1,227,342	681,004	264,135	1,724,067	811,182	1,620,382	925,167
Total pension liability - beginning	18,737,124	18,022,183	16,794,841	16,113,837	15,849,702	14,125,635	13,314,453	11,694,071	10,768,904
Total pension liability - ending (a)	\$ 19,623,235	\$ 18,737,124	\$ 18,022,183	\$ 16,794,841	\$ 16,113,837	\$ 15,849,702	\$ 14,125,635	\$ 13,314,453	\$ 11,694,071
Plan fiduciary net position:									
Employer contributions	\$ 391,669	\$ 410,420	\$ 505,573	\$ 494,020	\$ 483,456	\$ 465,613	\$ 379,418	\$ 345,169	\$ 276,981
Employee contributions	153,395	164,268	215,724	156,229	162,256	161,804	181,881	288,422	106,897
Pension plan net investment income (loss)	1,668,467	(2,263,789)	2,602,652	1,931,821	2,167,886	(651,772)	1,801,684	676,470	49,084
Benefit payments and refunds	(1,068,605)	(971,103)	(833,968)	(754,851)	(721,553)	(657,433)	(549,571)	(588,151)	(507,342)
Other (net transfer)	494,256	44,352	(226,159)	241,928	(181,717)	199,132	(203,415)	(231,555)	121,135
Net change in plan fiduciary net position	1,639,182	(2,615,852)	2,263,822	2,069,147	1,910,328	(482,656)	1,609,997	490,355	46,755
Plan fiduciary net position - beginning	15,170,336	17,786,188	15,522,366	13,453,219	11,542,891	12,025,547	10,415,550	9,925,195	9,878,440
Plan fiduciary net position - ending (b)	\$ 16,809,518	\$ 15,170,336	\$ 17,786,188	\$ 15,522,366	\$ 13,453,219	\$ 11,542,891	\$ 12,025,547	\$ 10,415,550	\$ 9,925,195
Net pension liability (asset) - ending (a) - (b)	\$ 2,813,717	\$ 3,566,788	\$ 235,995	\$ 1,272,475	\$ 2,660,618	\$ 4,306,811	\$ 2,100,088	\$ 2,898,903	\$ 1,768,876
Plan fiduciary net position as a percentage of a total pension liability	85.66%	80.96%	98.69%	92.42%	83.49%	72.83%	85.13%	78.23%	84.87%
Covered payroll	\$ 3,408,782	\$ 3,451,816	\$ 3,547,794	\$ 3,471,747	\$ 3,605,700	\$ 3,466,965	\$ 3,056,723	\$ 2,883,001	\$ 2,375,482
Net pension liability as a percentage of covered payroll	82.54%	103.33%	6.65%	36.65%	73.79%	124.22%	68.70%	100.55%	74.46%

This is a 10-year schedule. Years will be added to this schedule in future fiscal years until 10 years will be presented.

Village of Richton Park, Illinois  
Schedule of Employer Contributions  
IMRF Regular Plan  
Last Nine Fiscal Years

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Fiscal Year	Actuarially Determined Contribution	Actual Contributions	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	\$ 276,981	\$ 276,981	\$ -	\$ 2,375,482	11.66%
2017	332,987	345,169	(12,182)	2,883,001	11.97%
2018	356,108	379,418	(23,310)	3,056,723	12.41%
2019	465,613	465,613	-	3,466,965	13.43%
2020	470,544	483,456	(12,912)	3,605,700	13.41%
2021	460,076	460,076	-	3,393,851	13.56%
2022	442,765	442,765	-	3,500,848	12.65%
2023	432,102	432,102	-	3,467,499	12.46%
2024	415,979	415,979	-	3,643,189	11.42%

This is a 10-year schedule. Years will be added to this schedule in future fiscal years until 10 years will be presented.

Village of Richton Park, Illinois  
Schedule of Changes in Net Pension Liability and Related Ratios  
Police Pension Fund  
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:										
Service Cost	\$ 829,848	\$ 906,611	\$ 945,984	\$ 683,694	\$ 601,320	\$ 599,629	\$ 738,771	\$ 697,085	\$ 678,206	\$ 704,544
Interest in the total pension liability	2,171,204	2,066,343	2,000,538	2,039,381	1,885,340	1,842,488	1,748,027	1,706,237	1,447,906	1,458,172
Benefit changes	-	(34,745)	-	-	240,799	-	-	-	-	-
Difference between expected and actual experience	688,871	(258,399)	(1,756,397)	199,175	540,026	(527,252)	55,278	488,127	(887,072)	-
Assumption changes	(897,376)	(166,129)	644,560	6,253,394	187,796	-	(4,249,555)	(1,024,694)	3,840,520	-
Benefit payments and refunds	(1,913,658)	(1,435,796)	(1,520,236)	(1,401,822)	(1,403,654)	(1,201,728)	(1,203,252)	(1,132,582)	(1,126,673)	(995,920)
Net change in total pension liability	878,889	1,077,885	314,449	7,773,822	2,051,627	713,137	(2,910,731)	734,173	3,952,887	1,166,796
Total pension liability - beginning	38,853,036	37,775,151	37,460,702	29,686,880	27,635,253	26,922,116	29,832,847	29,098,674	25,145,786	23,978,990
Total pension liability - ending (a)	<u>\$ 39,731,925</u>	<u>\$ 38,853,036</u>	<u>\$ 37,775,151</u>	<u>\$ 37,460,702</u>	<u>\$ 29,686,880</u>	<u>\$ 27,635,253</u>	<u>\$ 26,922,116</u>	<u>\$ 29,832,847</u>	<u>\$ 29,098,673</u>	<u>\$ 25,145,786</u>
Plan fiduciary net position:										
Employer contributions	\$ 1,199,301	\$ 1,284,828	\$ 1,015,349	\$ 1,016,217	\$ 1,030,366	\$ 957,175	\$ 1,167,734	\$ 533,182	\$ 591,377	\$ 627,574
Employee contributions	207,873	241,608	261,170	260,025	266,836	248,158	236,133	215,914	207,031	208,291
Other contributions	-	117	77,690	1,300	62,579	1,300	1,300	1,300	-	-
Pension plan net investment income (loss)	1,721,436	238,607	(682,110)	3,608,956	551,326	1,008,635	842,806	1,033,825	(146,008)	999,854
Benefit payments and refunds	(1,913,658)	(1,435,796)	(1,520,236)	(1,401,822)	(1,403,654)	(1,201,728)	(1,203,251)	(1,132,582)	(1,126,673)	(995,920)
Administrative expense	(64,237)	(53,175)	(44,292)	(34,901)	(38,043)	(103,012)	(37,492)	(37,230)	(35,898)	(35,789)
Net change in plan fiduciary net position	1,150,715	276,189	(892,429)	3,449,775	469,410	910,528	1,007,230	614,409	(510,171)	804,010
Plan fiduciary net position - beginning	18,791,116	18,514,927	19,407,356	15,957,581	15,488,171	14,577,643	13,570,413	12,956,004	13,466,175	12,662,164
Plan fiduciary net position - ending (b)	<u>\$ 19,941,831</u>	<u>\$ 18,791,116</u>	<u>\$ 18,514,927</u>	<u>\$ 19,407,356</u>	<u>\$ 15,957,581</u>	<u>\$ 15,488,171</u>	<u>\$ 14,577,643</u>	<u>\$ 13,570,413</u>	<u>\$ 12,956,004</u>	<u>\$ 13,466,174</u>
Net pension liability (asset) - ending (a) - (b)	\$ 19,790,094	\$ 20,061,920	\$ 19,260,224	\$ 18,053,346	\$ 13,729,299	\$ 12,147,082	\$ 12,344,473	\$ 16,262,434	\$ 16,142,669	\$ 11,679,612
Plan fiduciary net position as a percentage of a total pension liability	50.19%	48.36%	49.01%	51.81%	53.75%	56.04%	54.15%	45.49%	44.52%	53.55%
Covered payroll	\$ 2,471,278	\$ 2,393,489	\$ 2,803,459	\$ 2,714,464	\$ 2,593,112	\$ 2,562,972	\$ 2,287,069	\$ 2,215,079	\$ 2,199,135	\$ 2,057,667
Net pension liability as a percentage of covered payroll	800.80%	838.19%	687.02%	665.08%	529.45%	473.95%	539.75%	734.17%	734.05%	567.61%

Village of Richton Park, Illinois  
Schedule of Employer Contributions  
Police Pension Fund  
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,400,184	\$ 1,410,645	\$ 1,394,320	\$ 1,160,603	\$ 1,118,604	\$ 1,100,640	\$ 1,028,788	\$ 572,544	\$ 618,781	\$ 612,806
Contribution in relation to the actuarially determined contribution	<u>1,199,301</u>	<u>1,284,828</u>	<u>1,015,349</u>	<u>1,016,217</u>	<u>1,030,366</u>	<u>957,175</u>	<u>1,167,734</u>	<u>533,182</u>	<u>591,377</u>	<u>627,574</u>
Contribution Deficiency (Excess)	<u>\$ 200,883</u>	<u>\$ 125,817</u>	<u>\$ 378,971</u>	<u>\$ 144,386</u>	<u>\$ 88,238</u>	<u>\$ 143,465</u>	<u>\$ (138,946)</u>	<u>\$ 39,362</u>	<u>\$ 27,404</u>	<u>\$ (14,768)</u>
Covered-employee Payroll	\$ 2,471,278	\$ 2,393,489	\$ 2,803,459	\$ 2,714,464	\$ 2,593,112	\$ 2,562,972	\$ 2,287,069	\$ 2,215,079	\$ 2,199,135	\$ 2,057,677
Contributions as a percentage of covered - employee payroll	48.53%	53.68%	36.22%	37.44%	39.73%	37.35%	51.06%	24.07%	26.89%	30.50%

**Notes to Schedule**

The Actuarially Determined Contribution shown above for the current year is the Recommended Contribution from the May 1, 2022 Actuarial Valuation completed by Lauterbach & Amen, LLP for the December 2021 tax levy. The methods and assumptions shown below are based on the same Actuarial Valuation. For more detail on the age-based and service-based rates disclosed below, please see the Actuarial Valuation.

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay
Equivalent Single Amortization Period	100% Funded Over 19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation (CPI-U)	2.25%
Total Payroll Increases	3.25%
Individual Pay Increases	3.50% - 11.74%
Expected Rate of Return on Investments	7.00%
Mortality Rates	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement Rates	120% of L&A 2020 Illinois Police Retirement Rates Capped at age 62
Termination Rates	100% of L&A 2020 Illinois Police Termination Rates
Disability Rates	100% L&A 2020 Illinois Police Disability Rates

See Notes to Required Supplementary Information

Village of Richton Park, Illinois  
Schedule of Investment Returns  
Police Pension Fund  
Last Nine Fiscal Years

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	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual money - weighted rate of return, net of investment expense	8.89%	1.28%	-3.64%	24.19%	3.74%	5.90%	5.90%	8.69%	-0.66%

**Notes to Schedule**

This is a 10-year schedule. Years will be added to this schedule in future fiscal years until 10 years will be presented.

Village of Richton Park, Illinois  
Schedule of Changes in Total OPEB Liability and Related Ratios  
Last Six Fiscal Years

	2024	2023	2022	2021	2020	2019
Total OPEB liability:						
Service Cost	\$ 124,760	\$ 57,926	\$ 66,349	\$ 82,270	\$ 62,572	\$ 58,630
Interest on the total pension liability	56,530	66,155	52,210	76,362	96,074	97,977
Difference between expected and actual experience	-	(507,867)	-	(904,179)	-	-
Assumption changes	(70,211)	8,971	(277,547)	168,715	424,008	43,144
Benefit payments and refunds	(86,401)	(82,903)	(77,362)	(134,776)	(135,394)	(129,455)
Net change in total OPEB liability	24,678	(457,718)	(236,350)	(711,608)	447,260	70,296
Total OPEB liability - beginning	1,644,607	2,102,325	2,338,675	3,050,283	2,603,023	2,532,727
Total OPEB liability - ending (a)	<u>\$ 1,669,285</u>	<u>\$ 1,644,607</u>	<u>\$ 2,102,325</u>	<u>\$ 2,338,675</u>	<u>\$ 3,050,283</u>	<u>\$ 2,603,023</u>
Covered payroll	\$ 6,867,739	\$ 6,683,931	\$ 6,750,441	\$ 6,553,826	\$ 4,766,865	\$ 4,628,024
Total OPEB liability as a percentage of covered payroll	24.31%	24.61%	31.14%	35.68%	63.99%	56.24%

**Notes to Schedule**

This is a 10-year schedule. However, information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years will be presented.

There is no actuarially determined contribution or employer contribution in relation to the actuarially determined contribution, as the Village does not have a trust that exists for funding OPEB liabilities.

Village of Richton Park, Illinois  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
General Fund  
Year Ended April 30, 2024

	Budget			(Over) Under
	Original	Final	Actual	Budget
<b>REVENUES</b>				
Taxes:				
Property	\$ 2,700,000	\$ 2,700,000	\$ 3,376,296	\$ (676,296)
Sales	2,555,000	2,555,000	3,325,833	(770,833)
Income	2,560,000	2,560,000	2,183,122	376,878
Other	850,000	850,000	771,843	78,157
Utilities	955,000	955,000	976,460	(21,460)
Licenses and permits	701,500	701,500	501,860	199,640
Fines and forfeitures	812,200	812,200	562,752	249,448
Charges for services	1,298,000	1,298,000	1,226,540	71,460
Grants	165,300	165,300	150,033	15,267
Interest	20,500	20,500	198,088	(177,588)
Miscellaneous	135,500	135,500	119,536	15,964
Total revenues	<u>12,753,000</u>	<u>12,753,000</u>	<u>13,392,363</u>	<u>(639,363)</u>
<b>EXPENDITURES</b>				
Current:				
General government	3,535,560	3,535,560	2,754,689	780,871
Public safety	6,945,289	6,945,289	7,364,826	(419,537)
Public works	791,597	791,597	671,149	120,448
Debt service:				
Principal	263,503	263,503	425,606	(162,103)
Interest and debt issuance costs	83,219	83,219	101,697	(18,478)
Capital outlay	8,205	8,205	527,868	(519,663)
Total expenditures	<u>11,627,373</u>	<u>11,627,373</u>	<u>11,845,835</u>	<u>(218,462)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>1,125,627</u>	<u>1,125,627</u>	<u>1,546,528</u>	<u>(420,901)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Capital lease proceeds	-	-	-	-
Gain on sale of capital assets	(20,000)	(20,000)	-	(20,000)
Transfers in	-	-	-	-
Issuance of financed purchase	(300,000)	(300,000)	419,649	(719,649)
Issuance of subscription liability	-	-	100,531	-
Transfers out	(1,025,519)	(1,025,519)	(465,326)	560,193
Total other financing sources (uses)	<u>(1,345,519)</u>	<u>(1,345,519)</u>	<u>54,854</u>	<u>(179,456)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (219,892)</u>	<u>\$ (219,892)</u>	<u>1,601,382</u>	<u>\$ 1,821,274</u>
<b>FUND BALANCE, Beginning of year</b>			<u>7,716,788</u>	
<b>FUND BALANCE, End of year</b>			<u>\$ 9,318,170</u>	

Village of Richton Park, Illinois  
Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual  
TIF Lakewood Fund  
Year Ended April 30, 2024

	Budget Original and Final	Actual	(Over) Under Budget
<b>REVENUES</b>			
Taxes:			
Property	\$ 2,700,000	\$ 2,393,674	\$ 306,326
<b>Total revenues</b>	<u>2,700,000</u>	<u>2,393,674</u>	<u>306,326</u>
<b>EXPENDITURES</b>			
Current:			
Economic development	2,683,500	3,183,523	(500,023)
<b>Total expenditures</b>	<u>2,683,500</u>	<u>3,183,523</u>	<u>(500,023)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>16,500</u>	<u>(789,849)</u>	<u>(806,349)</u>
<b>OTHER FINANCING USES</b>			
Transfers out	(30,000)	(22,500)	7,500
<b>Total other financing sources (uses)</b>	<u>(30,000)</u>	<u>(22,500)</u>	<u>7,500</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (13,500)</u>	(812,349)	<u>\$ (798,849)</u>
<b>FUND BALANCE (DEFICIT), Beginning of year</b>		<u>(75,351)</u>	
<b>FUND BALANCE (DEFICIT), End of year</b>		<u>\$ (887,700)</u>	

See Notes to Required Supplementary Information

VILLAGE OF RICHTON PARK, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
Year ended April 30, 2024

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**NOTE 1 – BASIS OF ACCOUNTING**

Annual appropriated budgets are adopted for Village funds on a basis consistent with accounting principles generally accepted in the United States. The annual appropriated budget is legally enacted and provides for a legal level of control at the department level. All annual appropriates lapse at the end of the fiscal year.

**NOTE 2 – EXCESS OF DISBURSEMENTS OVER APPROPRIATIONS**

For the fiscal year ended April 30, 2024, the General Fund had expenditures in excess of budget of \$231,465 and the TIF Lakewood fund had expenditures in excess of budget of \$500,023

**NOTE 3 – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2023 CONTRIBUTION RATE FOR IMRF\***

**Valuation Date:**

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.
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**Methods and assumptions used to determine 2023 contribution rates:**

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	21 year closed period until remaining period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Inflation	2.25%
Salary increases	2.75% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020.

**Other Information:**

Notes:	There were no benefit changes during the year.
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*\* Based on Valuation Assumptions used in the December 31, 2021 actuarial valuation.*

## **SUPPLEMENTARY INFORMATION**

Village of Richton Park, Illinois  
Combining Balance Sheet  
Nonmajor Governmental Funds  
April 30, 2024

	Special Revenue					
	Administrative Seizure Fund	Foreign Fire Insurance Fund	DUI Fines Returned Fund	American Rescue Plan Act	TIF Bohlman Fund	TIF Sauk West Fund
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,383,837	\$ 186,168	\$ 286,009
Investments	-	-	-	-	-	-
Receivables						
Property taxes	-	-	-	-	-	-
Accounts	-	-	-	-	-	-
Other governments	-	-	-	-	-	-
Due from other funds	34,280	72,613	1,432	-	-	-
Land held for resale	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 34,280</b>	<b>\$ 72,613</b>	<b>\$ 1,432</b>	<b>\$ 1,383,837</b>	<b>\$ 186,168</b>	<b>\$ 286,009</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ -	\$ 156	\$ -	\$ 25,000	\$ -	\$ 3,679
Accrued payroll and related	-	-	-	-	-	-
Unearned grant revenue	-	-	-	567,547	-	-
Due to other funds	-	22,805	-	791,290	-	-
Advances from other funds	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>22,961</b>	<b>-</b>	<b>1,383,837</b>	<b>-</b>	<b>3,679</b>
Deferred inflows of resources:						
Unavailable property taxes	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balance (deficit):						
Restricted:						
Economic development	-	-	-	-	186,168	282,330
Rebuild Illinois	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Public safety	34,280	49,652	1,432	-	-	-
Unassigned (deficit)	-	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>34,280</b>	<b>49,652</b>	<b>1,432</b>	<b>-</b>	<b>186,168</b>	<b>282,330</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 34,280</b>	<b>\$ 72,613</b>	<b>\$ 1,432</b>	<b>\$ 1,383,837</b>	<b>\$ 186,168</b>	<b>\$ 286,009</b>

(Continued)

Village of Richton Park, Illinois  
Combining Balance Sheet  
Nonmajor Governmental Funds  
April 30, 2024

	Special Revenue						
	TIF Town Center Fund	TIF Sauk Trail Governor's Highway Fund	Parks and Recreation Fund	Motor Fuel Tax Fund	Community Development Block Fund	Total Nonmajor Funds	
<b>ASSETS</b>							
Cash and cash equivalents	\$ 1,141,026	\$ 492,608	\$ -	\$ 12,292	\$ -	\$ 3,501,940	
Investments	-	-	-	2,227,741	-	2,227,741	
Receivables							
Property taxes	-	-	34,662	-	-	34,662	
Accounts	-	-	205	-	-	205	
Other governments	-	-	-	45,947	-	45,947	
Due from other funds	-	245,477	358,640	-	463,462	1,175,904	
Land held for resale	1,212,348	-	-	-	-	1,212,348	
Total assets	\$ 2,353,374	\$ 738,085	\$ 393,507	\$ 2,285,980	\$ 463,462	\$ 8,198,747	
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ 72,358	\$ -	\$ 19,222	\$ 49,453	\$ 2	\$ 169,870	
Accrued payroll and related	-	-	8,173	-	-	8,173	
Unearned grant revenue	-	-	-	-	-	567,547	
Due to other funds	-	1,099,539	-	509,524	356,448	2,779,606	
Advances from other funds	-	-	979,820	-	-	979,820	
Total liabilities	72,358	1,099,539	1,007,215	558,977	356,450	4,505,016	
Deferred inflows of resources:							
Unavailable property taxes	-	-	33,890	-	-	33,890	
Total deferred inflows of resources	-	-	33,890	-	-	33,890	
Fund balance (deficit):							
Restricted:							
Economic development	2,281,016	-	-	-	107,012	2,856,526	
Rebuild Illinois	-	-	-	809,326	-	809,326	
Highways and streets	-	-	-	917,677	-	917,677	
Public safety	-	-	-	-	-	85,364	
Unassigned (deficit)	-	(361,454)	(647,598)	-	-	(1,009,052)	
Total fund balances (deficits)	2,281,016	(361,454)	(647,598)	1,727,003	107,012	3,659,841	
Total liabilities, deferred inflows of resources and fund balances	\$ 2,353,374	\$ 738,085	\$ 393,507	\$ 2,285,980	\$ 463,462	\$ 8,198,747	

Village of Richton Park, Illinois  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Year Ended April 30, 2024

	Special Revenue					
	Administrative Seizure Fund	Foreign Fire Insurance Fund	DUI Fines Returned Fund	American Rescue Plan Act	TIF Bohlman Fund	TIF Sauk West Fund
<b>REVENUES</b>						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ 293	\$ 64,993
Other	-	20,502	-	-	-	-
Fines and forfeitures	3,000	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Grants	-	-	-	877,909	-	-
Interest	-	-	-	-	-	3,017
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>3,000</u>	<u>20,502</u>	<u>-</u>	<u>877,909</u>	<u>293</u>	<u>68,010</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	88,877	-	-
Public safety	-	4,218	-	-	-	-
Public works	-	-	-	82,032	-	-
Parks and recreation	-	-	-	112,034	-	-
Economic development	-	-	-	-	-	36,823
Capital outlay	-	-	-	594,966	-	-
Total expenditures	<u>-</u>	<u>4,218</u>	<u>-</u>	<u>877,909</u>	<u>-</u>	<u>36,823</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>3,000</u>	<u>16,284</u>	<u>-</u>	<u>-</u>	<u>293</u>	<u>31,187</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>3,000</u>	<u>16,284</u>	<u>-</u>	<u>-</u>	<u>293</u>	<u>31,187</u>
<b>FUND BALANCES (DEFICITS), Beginning of year</b>	<u>31,280</u>	<u>33,368</u>	<u>1,432</u>	<u>-</u>	<u>185,875</u>	<u>251,143</u>
<b>FUND BALANCES (DEFICITS), End of year</b>	<u>\$ 34,280</u>	<u>\$ 49,652</u>	<u>\$ 1,432</u>	<u>\$ -</u>	<u>\$ 186,168</u>	<u>\$ 282,330</u>

(Continued)

Village of Richton Park, Illinois  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Year Ended April 30, 2024

	Special Revenue					
	TIF Town Center Fund	TIF Sauk Trail Governor's Highway Fund	Parks and Recreation Fund	Motor Fuel Tax Fund	Community Development Block Fund	Total Nonmajor Funds
<b>REVENUES</b>						
Taxes:						
Property	\$ 226,642	\$ 179,834	\$ 67,363	\$ -	\$ -	\$ 539,125
Other	-	-	-	561,077	-	581,579
Fines and forfeitures	-	-	-	-	-	3,000
Charges for services	-	-	128,387	-	-	128,387
Grants	-	-	-	-	332,797	1,210,706
Interest	-	-	-	103,100	-	106,117
Miscellaneous	19,646	-	500	-	-	20,146
Total revenues	<u>246,288</u>	<u>179,834</u>	<u>196,250</u>	<u>664,177</u>	<u>332,797</u>	<u>2,589,060</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	88,877
Public safety	-	-	-	-	-	4,218
Public works	-	-	-	451,339	-	533,371
Parks and recreation	-	-	621,123	-	-	733,157
Economic development	535,063	81,696	-	-	-	653,582
Capital outlay	-	-	-	-	-	594,966
Total expenditures	<u>535,063</u>	<u>81,696</u>	<u>621,123</u>	<u>451,339</u>	<u>-</u>	<u>2,608,171</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(288,775)</u>	<u>98,138</u>	<u>(424,873)</u>	<u>212,838</u>	<u>332,797</u>	<u>(19,111)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	232,139	-	-	232,139
Transfers out	-	-	-	(98,781)	-	(98,781)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>232,139</u>	<u>(98,781)</u>	<u>-</u>	<u>133,358</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(288,775)</u>	<u>98,138</u>	<u>(192,734)</u>	<u>114,057</u>	<u>332,797</u>	<u>114,247</u>
<b>FUND BALANCES (DEFICITS), Beginning of year</b>	<u>2,569,791</u>	<u>(459,592)</u>	<u>(454,864)</u>	<u>1,612,946</u>	<u>(225,785)</u>	<u>3,545,594</u>
<b>FUND BALANCES (DEFICITS), End of year</b>	<u>\$ 2,281,016</u>	<u>\$ (361,454)</u>	<u>\$ (647,598)</u>	<u>\$ 1,727,003</u>	<u>\$ 107,012</u>	<u>\$ 3,659,841</u>

## OTHER INFORMATION

Village of Richton Park, Illinois  
Schedule of Legal Debt Margin  
Year Ended April 30, 2024

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Assessed valuation - 2023 tax year		<u>\$ 218,936,786</u>
Statutory debt limitation (8.625% of assessed valuation)		\$ 18,883,298
Debt:		
Bonds payable	\$ 3,210,000	
Finance purchase	419,649	
Lease obligations	166,198	
Subscription liabilities	<u>74,281</u>	
Total Debt		<u>3,870,128</u>
Legal debt margin		<u>\$ 15,013,170</u>